

Total Disability and Totally Disabled

Total Disability must be caused by Sickness or Injury and must commence while you are insured under the policy. You will be considered Totally Disabled if:

1. During the Elimination Period and the following 36 months, you are unable to perform all the material and substantial duties of your Regular Occupation.
2. After the Elimination Period and the following 36 months, you are unable to perform the duties of Any Occupation.

Basic Monthly Earnings (with respect to partners)

If you are a partner, your Basic Monthly Earnings will be calculated from the partnership federal income tax return as follows:

1. From the line which shows "net earnings (loss) from self-employment" from Schedule K-1 of the partnership income tax return (form 1065) for the calendar year prior to the date your Period of Disability begins; or
2. For the period that you were a partner if you were not a partner during the year for which the most recent partnership federal tax return was filed.

It includes employee pre-tax contributions to a deferred compensation plan which is defined by a documented, pre-determined formula.

Partial Disability and Partially Disabled

A Partial Disability must be caused by Sickness or Injury and must commence while you are insured under the policy. You will be considered Partially Disabled if:

1. During the Elimination Period and the following 24 months you are:
 - a) unable to perform all the material and substantial duties of your Regular Occupation; and
 - b) performing at least one of the material duties of your Regular or Any Occupation on a Full-time Basis or Part-time Basis; and
 - c) earning at least 20% less than your Basic Monthly Earnings immediately prior to the onset of Disability and there is a Demonstrated Relationship between this earnings loss and your current Disability.
2. After the Elimination Period and the following 24 months, you are:
 - a) unable to perform the duties of Any Occupation; and
 - b) performing at least one of the material duties of your Regular or Any Occupation on a Full-time Basis or Part-time Basis.

Benefits for Partial Disability will be paid in accordance with the Rehabilitation provisions described in the REHABILITATION part of this Certificate.

Demonstrated Relationship

With respect to Partial Disability, the Sickness or Injury must be the material and substantial factor in causing the earnings loss. A Sickness or Injury would not have a Demonstrated Relationship to a Disability if the earnings loss was produced primarily by causes which are not related to a Sickness or Injury.

Regular Occupation

The occupation you are performing when your Period of Disability commences. This refers to your occupation as it is typically performed rather than the duties required by a specific employer or at a specific location.

Disability and Disabled

Disability means that you are either Totally Disabled or Partially Disabled.

If a particular occupation requires a license, you will not be considered Disabled solely because you are unable to either obtain a license or continue to qualify for a license.

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Elimination Period

The number of consecutive days of a Period Of Disability, shown in the INSURANCE SCHEDULE, which must be completed before we will pay you the Monthly Benefit. No benefits will be paid to you for any portion of your Period Of Disability that occurs during the Elimination Period.

During the Elimination Period, a Disability that is caused by the same or related Sickness or Injury will be considered as continuous even if you cease to be Disabled and return to work for a period not to exceed the applicable number of trial work days. Ten trial work days are provided for every 30 days in the Elimination Period to a maximum of 60 trial work days.

We will not count these trial work days toward satisfaction of the Elimination Period. However, if you become eligible for insurance under another group long term disability policy, the terms of this provision will not apply.

Elimination Period:

90 days per Period of Disability

Notice of Claim

You must send written notice of your claim:

1. Before the end of the Elimination Period;
2. To our Home Office; and
3. With enough information to identify you and your Employer.

If you cannot send notice within this time, we will not deny or reduce your claim if you can prove that notice was sent as soon as reasonably possible.

Claim Forms

We will send claim forms to you within 15 days after we receive your notice of claim. If we do not send the forms, you can send us written Proof of your Disability within the time shown in "Proof of Loss".

Proof of Loss

To aid in the determination of benefits payable, you will be required to submit all Proofs of claim on forms satisfactory to us within 90 days after the Elimination Period. If you cannot send such Proof within this time limit, it must be sent as soon as reasonably possible; but in no event, except in the absence of legal capacity, later than one year after the time such Proof is otherwise required.

As part of Proof of Loss, we have the right to require:

1. Clinical evidence substantiating your Sickness or Injury;
2. Your signed statement identifying all Other Income benefits;
3. Proof that you and your dependents have applied for all Other Income benefits that are available; and
4. Business and financial records or any other pertinent financial documentation we may deem necessary.

We may require additional Proof of your claim at any reasonable time during the Period of Disability.

Any additional Proof of your claim must be returned to us within 30 days after we request it.

We have the right at any time to conduct an investigation of your claim. No benefits will be paid until we have had a reasonable time to conduct and complete our investigation.

Who Is Eligible For The Monthly Benefit

We will pay you the Monthly Benefit shown in the INSURANCE SCHEDULE for a Period Of Disability, subject to all of the terms of the policy, if you satisfy all of the following conditions:

1. You must send Proof to us that you have become Disabled;
2. You must be insured under the policy at the time your Disability commences;
3. You must be under the regular and Continuing Care of a Physician for the Sickness or Injury causing your Disability; and

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4. You must have completed the Elimination Period shown in the INSURANCE SCHEDULE.

Calculation Of The Monthly Benefit

To determine the Monthly Benefit we will pay each month while you are Disabled:

1. Multiply your Basic Monthly Earnings by the benefit percentage as noted in the Monthly Benefit part of the INSURANCE SCHEDULE;
2. Take the lesser of:
 - a) the resulting figure; or
 - b) the maximum Monthly Benefit as shown in the INSURANCE SCHEDULE.
3. Carry forward the resulting figure in item 2 above and from it subtract all Other Income benefits, as defined in the OTHER INCOME part of the Certificate.

The Monthly Benefit will be payable subject to all the terms of the policy, including, but not limited to, the reductions for Other Income. If you are Partially Disabled, the Monthly Benefit will be determined in accordance with the REHABILITATION part of the Certificate. The benefit payable will never be less than the minimum monthly benefit shown in the INSURANCE SCHEDULE.

Other Income

Other Income means those benefits or amounts you receive or are eligible to receive as indicated below:

1. Any temporary or permanent award under:
 - a) any Workers' Compensation Law;
 - b) any Occupational Disease Law;
 - c) any other similar act or law; or
 - d) any settlement or damages which is made in lieu of Workers' Compensation benefits and is paid to you, or which you would be entitled to in the absence of recovery by your Employer or a Workers' Compensation insurer, but only to the extent that any such damages or settlement represent compensation for your loss of income.
2. Any disability benefits under any compulsory benefit act or law.
3. Any disability or loss of income benefits provided under:
 - a) any other group insurance plan, provided by your Employer, including any disability benefits received under the terms of a group life insurance policy for permanent total disability.
 - b) any Retirement Plan.
 - c) any governmental retirement system as a result of your job with your Employer.
 - d) any basic automobile reparations insurance (no fault) coverage unless prohibited by state law.
4. Any benefits received under any Retirement Plan from your Employer, including Disability Retirement Benefits, except that only that portion that is not funded by employee contributions will be considered a Retirement Plan benefit.
5. Any amount of disability or retirement benefits under:
 - a) the United States Social Security Act to which;
 - i) you are entitled; and
 - ii) your Dependents may be entitled because of your disability or retirement;
 - b) the Railroad Retirement Act;
 - c) any other similar act or law provided in any jurisdiction.
6. Any income received from any formal or informal salary continuance plan.
7. Any benefits under Unemployment Compensation Laws.

Application for Other Income

If you, your spouse, child, or children are or become eligible for any Other Income, you, your spouse, child, or children must:

1. Apply for such Other Income; and
2. Cooperate with us in making reasonable efforts to reapply for or appeal the denial of any application for such Other Income.

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Until approval or denial is made we will, at your option, make payments under either Method A or B below:

Method A: We will estimate the amount of Other Income you will receive and reduce your Monthly Benefit by this amount. If Other Income benefits are estimated, your Monthly Benefit will be adjusted when we receive Proof of the amount awarded or that benefits have been denied. If your application is denied, the amount estimated will be returned to you in a lump sum. During subsequent appeals Method B will be used.

Method B: Subject to your written agreement, we will pay your Monthly Benefit with no reduction for estimated Other Income until any Other Income payor reaches a decision. When a decision is reached, you must send us a copy of such decision and reimburse us in full for any overpayment we have made as a result of that decision, regardless of whether or not your coverage is still in force on the date you recover such amount. Additionally, if an award is made, we will reduce your Monthly Benefit by the amount of Other Income you receive, in accordance with the terms of the policy. If you choose this Method B and have not applied for other benefits to which you may be entitled, you must agree to apply for such benefits immediately. If you do not apply we will automatically use Method A. You are not required to apply for any early Retirement Plan benefits.

Monthly Benefit For Rehabilitation

If you are Partially Disabled, your employment will be considered Rehabilitative Employment and we will pay you the Monthly Benefit subject to the calculation indicated in the section below, "How the Monthly Benefit Will Be Determined". By Rehabilitative Employment we mean any occupation or employment for wage or profit for which you are reasonably fitted by training, education or experience and in which you engage during a Period of Disability. Earnings for Rehabilitation will be based on your gross earnings. Business expense deductions will not be considered unless agreed to by us.

How the Monthly Benefit Will Be Determined

The Monthly Benefit will be determined as follows:

- A. If you were Totally Disabled through the Elimination Period, your Monthly Benefit will be payable as follows:
 - 1. During the first three months of Rehabilitative Employment, the Monthly Benefit will be reduced only by the amount of your Total Income Replacement that exceeds 100% of your Basic Monthly Earnings in effect prior to your current Period Of Disability.
 - 2. The Monthly Benefit otherwise payable will be the greater of:
 - a) the Monthly Benefit reduced by 50% of any earnings you receive from Rehabilitative Employment; or
 - b) the Monthly Benefit as calculated under the Proportional Benefit Formula.Earnings from Rehabilitative Employment will be calculated based on the earnings you receive on the later of:
 - c) the date you have completed 3 months of Rehabilitative Employment; or
 - d) the date your Rehabilitative Employment earnings exceed 20% of your Basic Monthly Earnings.
 - 3. After the first twelve month period of Rehabilitative Employment, the monthly benefit payable will be the greater of:
 - a) the Monthly Benefit reduced by 50% of any earnings you receive from Rehabilitative Employment; or
 - b) the Monthly Benefit as calculated under the Proportional Benefit Formula.
- B. If you were Partially Disabled through the Elimination Period, the Monthly Benefit will be payable as follows:
 - 1. During the first twelve months of Rehabilitative Employment:

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- a) if your Rehabilitative Employment earnings are equal to or less than 20% of your Basic Monthly Earnings, the Monthly Benefit as determined in the INSURANCE SCHEDULE will be payable;
 - b) if, at any time, your Rehabilitative Employment earnings exceed 20% of your Basic Monthly Earnings, the Monthly Benefit payable will be the greater of:
 - i) the Monthly Benefit reduced by 50% of any earnings you receive from Rehabilitative Employment; or
 - ii) the Monthly Benefit as calculated under the Proportional Benefit Formula.
2. If your earnings continue to be equal to or less than 20% of your Basic Monthly Earnings after this twelve month period, the Monthly Benefit payable will be the greater of:
- a) the Monthly Benefit reduced by 50% of any earnings you receive from Rehabilitative Employment; or
 - b) the Monthly Benefit as calculated under the Proportional Benefit Formula.

For the purposes of items A-2, A-3, B-1, and B-2 above, we will determine which benefit calculation provides you with the greater Monthly Benefit. Once this benefit calculation is determined, it will be applied for the entire duration of your period of Rehabilitative Employment.

If, at any time, your Total Income Replacement exceeds 100% of your Basic Monthly Earnings in effect prior to your current Period Of Disability, the Monthly Benefit will be reduced by the amount in excess of 100%.

Current Claim Determination

We will pay you the Monthly Benefit shown in the INSURANCE SCHEDULE for a Period Of Disability, subject to all of the terms of the policy, if you satisfy all of the following conditions:

1. You must send Proof to us that you have become Disabled;
2. You must be insured under the policy at the time your Disability commences;
3. You must be under the regular and Continuing Care of a Physician for the Sickness or Injury causing your Disability; and
4. You must have completed the Elimination Period shown in the INSURANCE SCHEDULE.

The evidence in your LTD file was considered. The information in this file included, but was not limited to, your group insurance coverage insurance application, your disability claim statements, the business and financial records made available to us, the statements of your Certified Public Accountant, and the statements of a Certified Public Accountant advisor. This information was considered in light of the Eligibility, Disability, and other current provisions of the Policy.

With respect to determining Active Full-time Employee status, the only business and financial documentation made available to us were Bella Boutique Accounts Payable Check copies signed by yourself suggesting you were performing this function. You, your husband/ business Partner, or your Accountant have reported that:

- No individual attendance were kept
- No payroll records exist as you are not paid by Bella Boutique
- Your compensation from Bella Boutique was that household and personal expenses were paid out of the Bella Boutique Business account
- No individual sales production records were kept
- No partnership agreement exists as Tennessee statute states husband and wife Partnerships are 50% in all aspects of business operation and income allocation

- Historically 100% of income had been allocated to your husband Tom, prior to disability claim 50% of the income was allocated to yourself, and post disability 100% of income is being allocated to your husband Tom
- A Social Security Disability income was claimed in late 2011 and an eligibility denial was issued

With respect to determining Total Disability versus Partial Disability, the Bella Boutique Accounts Payable Check copies continued beyond the claimed May 11, 2010, Total Disability date, throughout the 90 Day Elimination Period, and up through recent submission suggesting that you continued to perform at least one of the material duties of your Regular or Any Occupation on a Full-time Basis or Part-time Basis. Based upon your claimed May 11, 2010, disability date, the Certified Public Accountant advisor determined a Basic Monthly Earnings of \$ 6,379.83 and corresponding Gross Monthly Benefit of \$3,827.90. The Certified Public Accountant advisor also determined your monthly earnings should be based on your 50% share of the net income of the business. The complete allocation of the post-disability income to your husband is not appropriate given the fact that you have continued to work for the business. Your share of the 2010 net income is \$88,193.50 and your share of the 2011 net income is \$130,720.00. Your average monthly earnings in 2010 was \$7,349.46 and in 2011 it was \$10,893.33. Both of these amounts exceed your Basic Monthly Earnings as calculated above. Accordingly, you would not have qualified as Partially Disabled in 2010 or 2011 and would not be eligible for benefits. While your accountant did not allocate your 50% partner share of business income, you were actively involved in the operation of the partnership and eligible for, or entitled to receive it.

The business and financial records neither support that you were an Active Full-time Employee eligible for group insurance prior to your claimed May 11, 2010, disability cease work, nor Partially Disabled earning as least 20% less as of your claimed May 11, 2010, disability date, throughout the 90 Day Elimination Period, and beyond.

Therefore, no LTD benefits would be payable.

Right to Appeal

If you disagree with any part of our decision, you may request in writing a review within 180 days after receiving this notice.

You may submit written comments, documents, records or other information relating to your claim for benefits, and may request free of charge copies of all documents, records, and other information relevant to your claim for benefits.

We will review your claim on receipt of the written request for review, and will notify you of our decision within a reasonable period of time but not later than 45 days after the request has been received. If an extension of time is required to process the claim, we will notify you in writing of the special circumstances requiring the extension and the date by which we expect to make a determination on review. The extension cannot exceed a period of 45 days from the end of the initial review period.

If a period of time is extended because we did not receive information necessary to decide your claim, the period for making the decision on review is tolled from the date we send notice of the extension to you until the date on which you respond to the request for additional information. You will have 45 days to provide the specified information.

You may have the right to bring a civil action under the Employee Retirement Income Security Act of 1974 (ERISA), §502(a) following an adverse determination on review.

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Your request for a review should be addressed to:

Sun Life and Health Insurance Company (U.S.)
Appeals Unit
175 Addison Road
PO Box 725
Windsor, CT 06095-0725

I hope this has been explained to your satisfaction. Should you have any questions regarding your appeal, please contact me at 1-800-451-2513 x-2704.

Sincerely,

Christopher Murphy

Christopher Murphy, HIA, ALHC
LTD Claims – Sr. Consultant, Appeals and Resolutions

Tue 9/24/13 4:22 (P65) 868-1946
Todd Williams

Re: Kim Ruckman.

He called me this morning.

~~Tue 9/24/13 2:13 (P65) 868-1946~~
~~M. + 2: at Todd Williams office~~
~~Todd need to talk with you today.~~

Tue 5:30pm

Returned Todd Williams call.

Bannon & Company, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

162 AUBURN STREET
AUBURN, MA 01501
TEL (508) 832-0030
FAX (508) 832-0031

DATE OF REVIEW: September 10, 2013
INSURED: Kimberly Buchanan
GROUP ACCOUNT NO.: 037-1526-00
DATE OF DISABILITY: May 11, 2010
REVIEWED BY: Jeffrey J. Bannon, CPA

Ms. Buchanan's 2009 through 2011 income tax returns indicate that the income from her and her husband's business, Bella Boutique, was reported on Schedule C of their joint tax return. IRS regulations permit a husband and wife to report the income from a partnership between them on separate Schedule C's. The income attributable to each would be reported on their respective Schedule C which would preclude the need for the filing of a partnership tax return.

The tax returns provided for Ms. Buchanan do not strictly adhere to the IRS regulations with respect to the filing of separate Schedule C's. The 2009 Schedule C was prepared as a joint Schedule C rather than 2 separate Schedule C's. The income was divided evenly when calculating the Self-Employment tax (FICA/Medicare). In 2010, a joint Schedule C was filed for part of the year and a separate Schedule C was filed solely for Ms. Buchanan's husband, Thomas Buchanan. In 2011, a Schedule C which attributed all of the income to her husband was filed.

The 2009 through 2011 Schedule C's are summarized on the attached schedule. As indicated, the joint net income of the business was \$153,116 in 2009, \$176,387 in 2010, and \$261,440 in 2011. A reasonable equivalent Basic Monthly Earnings definition for a joint Schedule C situation such as this would be to use the insured's 50% portion net income of the joint Schedule C for the calendar year immediately prior to her date of disability. Based on a date of disability of May 11, 2010 Ms. Buchanan's Basic Monthly Earnings would be based on her income from calendar year 2009. Her 50% of the 2009 net income is \$76,558. Using this income, her Basic Monthly Earnings and Maximum Monthly Benefit are calculated as follows:

2009 Net Income (50% share)	\$ 76,558.00
Divided by 12 months	<u>÷ 12</u>
Basic Monthly Earnings	\$ 6,379.83
Benefit Percentage	<u>X 60%</u>
Maximum Monthly Benefit	\$ 3,827.90

Ms. Buchanan has submitted copies of the business bank statements and canceled checks from June 2009 through June 2013. There were approximately 110 to 120 checks clearing the bank each month. While it is

not possible to determine her monthly Rehabilitative Earnings from the bank statements, the canceled checks do indicate that Ms. Buchanan has been continually involved in the operation of the business. This is clearly evidenced by the fact that the vast majority of the 110 to 120 monthly checks were signed by Ms. Buchanan. At a minimum, this reflects an ongoing financial/managerial participation in the business.

For Partial Disability purposes, Ms. Buchanan's monthly earnings should be based on her 50% share of the net income of the business. The complete allocation of the post-disability income to her husband is not appropriate given the fact that she has continued to work for the business. Her share of the 2010 net income is \$88,193.50 and her share of the 2011 net income is \$130,720.00. Her average monthly earnings in 2010 was \$7,349.46 and in 2011 it was \$10,893.33. Both of these amounts exceed Ms. Buchanan's Basic Monthly Earnings as calculated above. Accordingly, she would not have qualified as Partially Disabled in 2010 or 2011 and would not be eligible for benefits.

If her date of disability was changed to 1/1/12 due to her earnings in 2010 and 2011, Ms. Buchanan's Basic Monthly Earnings would be her average monthly earnings of \$10,893.33 in 2011. Her Maximum Monthly Benefit would be the policy maximum of \$6,000.00.

Kimberly Buchanan / Bella Boutique
Summary of Income as Reported on Schedule C of Form 1040
2009 Through 2011

	2009			2010			2011		
	Joint - Kimberly & Thomas Buchanan	Thomas Buchanan	Total	Joint - Kimberly & Thomas Buchanan	Thomas Buchanan	Total	Joint - Kimberly & Thomas Buchanan	Thomas Buchanan	Total
Gross Revenues	\$ 930,512	\$ -	\$ 930,512	\$ 618,057	\$ 199,781	\$ 817,838	\$ -	\$ 1,020,190	\$ 1,020,190
Cost of Goods Sold	391,538	-	391,538	212,156	69,106	281,262	-	372,656	372,656
Gross Profit	538,974	-	538,974	405,901	130,675	536,576	-	647,534	647,534
Expenses									
Advertising	55,479	-	55,479	20,739	6,755	27,494	-	24,035	24,035
Contract labor	7,042	-	7,042	9,568	2,116	11,684	-	11,872	11,872
Depreciation	11,024	-	11,024	-	8,728	8,728	-	3,209	3,209
Insurance	4,822	-	4,822	3,612	1,176	4,788	-	5,475	5,475
Interest	30,305	-	30,305	17,105	5,572	22,677	-	21,242	21,242
Legal and professional	5,612	-	5,612	6,062	1,974	8,036	-	6,617	6,617
Rent	137,690	-	137,690	90,214	45,107	135,321	-	124,343	124,343
Repairs and maintenance	7,285	-	7,285	5,662	1,844	7,506	-	15,213	15,213
Supplies	6,011	-	6,011	3,088	1,006	4,094	-	7,857	7,857
Taxes and licenses	6,501	-	6,501	3,150	1,026	4,176	-	5,098	5,098
Meals and entertainment	993	-	993	901	294	1,195	-	1,387	1,387
Utilities	12,789	-	12,789	9,267	3,018	12,285	-	13,527	13,527
Wages	49,527	-	49,527	36,976	12,044	49,020	-	64,851	64,851
Other	50,778	-	50,778	46,101	17,084	63,185	-	81,368	81,368
Total Expenses	385,858	-	385,858	252,445	107,744	360,189	-	386,094	386,094
Net Income	\$ 153,116	\$ -	\$ 153,116	\$ 153,456	\$ 22,931	\$ 176,387	\$ -	\$ 261,440	\$ 261,440

Mon 9/23/13

Bgt

all (P/S) 254-7759
(P/S) 675-7298

Tom Buchanan

Re: Kim Buchanan #037-1526-00

Received letter regard.

Wrote to clarify some claim issue.

Thu 9/24/13 10-15

There is no partnership agreement

8/4/98 opened first store
It is mother had dress store;

20,000 borrowed
from her parents

* Re: - Business check long signed

- Checks are signed by the girl at the
shop and Kim continued to do that

2012 they
be larger sales
over a large amount

Re: Increase in Revenue year over
year.

Wife - location managers

He is/was driver - ~~at~~ dress sale

(1) P-T EE

(2) 21 yrs. girl P-T student

U-T
in the
min

Vincent
Hao - ~~the~~ manager

Just returned from Cleveland Clinic

Mar 8 - 115

Last week 92

Tue 9/10/13

(774) 696-5248

Jeff Bannan

Kim Buchanan - Belb Roadhouse 930k

2009 1 Schell C Joint 1250
2 SEs 50/50

2010 1 Schell C Ark
2 SEs 176

2011 1.2k
100 to Tom 261k

~~Kim Sigay business check~~

50% of Jaws ret 11/10/11
to Belb offset

From: (860) 737-2704
Christopher Murphy
Sun Life Financial
175 Addison Road

Origin ID: EHTA



J13201306280326

Windsor, CT 06095

Ship Date: 28AUG13
Act/Wgt: 1.0 LB
CAD: 3525060/NET3430

Delivery Address Bar Code



SHIP TO: (865) 675 [REDACTED]

BILL SENDER

Kim Buchanan

Ref # 439332

Invoice #

PO #

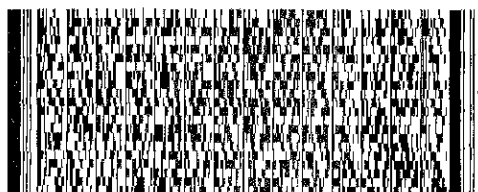
Dept #

KNOXVILLE, TN 37934

THU - 29 AUG 3:00P
STANDARD OVERNIGHT

TRK# 7965 6197 3620

0201



NA RKWA

37934

TN-US

TYS



51AG1098814 AGE

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Sun Life and Health Insurance Company (U.S.) *
175 Addison Road
P.O. Box 725
Windsor, CT 06095-0725

August 28, 2013

Kim Buchanan

Via Federal Express

Knoxville, TN. 37934

RE: Group Long Term Disability ("LTD") Account No.: 037-1526-00
Policyholder: Bella Boutique
Claimant: Kim Buchanan

Dear Ms. Buchanan:

This correspondence concerns the status of our review.

Your CPA, Rusty Foust has stated that:

- While Bella Boutique is a Partnership business entity, Partnership Federal Income Tax Returns were not filed and that he will discuss that issue with our consulting CPA
- He did not maintain detailed Monthly Business Income/ Expense Financial Statements for the period 01/01/2009 to present

The following claim documentation has been received since your claim appeal request:

- Copy of your 2009 Federal Income Tax Return
- Copy of your 2012 Automatic Extension

The following requested claim documentation remains outstanding:

- Complete copy of the Partnership Agreement in place as of the December 1, 2004, coverage effective date, as well as complete copies of any updated Partnership Agreement since that time

Please respond by either providing each of the outstanding claim documentation items or providing us a written response regarding the status of your submission of each of the outstanding claim documentation items.

The additional business and financial documentation which you have submitted has been referred to a consulting Certified Public Accountant for initial review and teleconference with your CPA, Rusty Foust.

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Apparent Claim Issues to be addressed:

- Whether or not you were an Active Full-time Employee being paid for such work in accordance with applicable Wage and Hour Laws;
- Whether or not you submitted Satisfactory Proof of Loss to support your Basic Monthly Earnings as defined;
- Whether or not your Sickness or Injury was the material and substantial factor in causing the earnings loss. A Sickness or Injury would not have a Demonstrated Relationship to a Disability if the earnings loss was produced primarily by causes which are not related to a Sickness or Injury;
- Whether or not you meet the definition of Total Disability or Partial Disability through the Elimination Period and beyond; and
- Whether or not you submitted Satisfactory Proof of Rehabilitative Employment earnings.

Should you have any questions regarding the above, I can be reached at 1-800-451-2513 x-2704. Our fax number is (781) 304-5425.

Sincerely,

Christopher Murphy

Christopher Murphy, HIA, ALHC
LTD Claims – Sr. Consultant, Appeals and Resolutions

From: (860) 737-2704
Christopher Murphy
Sun Life Financial
175 Addison Road

Windsor, CT 06095

Origin ID: EHTA

FedEx
Express



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Ship Date: 28AUG13
ActWgt: 1.0 LB
CAD: 3525060/NET3430

Delivery Address Bar Code



SHIP TO: (508) 832-0830
Jeff Bannon, CPA

BILL SENDER

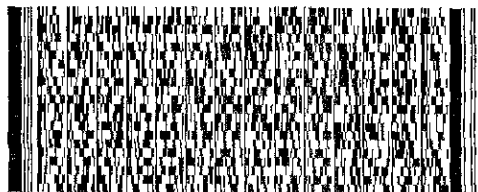
162 Auburn Street

AUBURN, MA 01501

Ref # 439332
Invoice #
PO #
Dept #

THU - 29 AUG 3:00P
STANDARD OVERNIGHT

TRK# 7965 6197 9867
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From:

08/26/2013 16:00

#293 P.001/027

Capital Financial Group, LLC
8320 E. Walker Springs Lane, Suite 100
Knoxville, TN 37923
Tel: 865-246-2955
FAX 865-246-1755

GROUP DISABILITY



1323998005 CAPITAL
FINANCIAL GROUP, LLC

facsimile transmittal

Agent: J. Todd Williams toddwilliams@financialguide.com

To: Christopher Murphy Fax No: 781-304-5425
From: J. Todd Williams Date: 8/26/2013
Re: Tom & Kim Buchanan Pages: 27
2009 Income Tax Returns

Thank you

Mitzi Ward



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AR0918

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 2009 (99) IRS Use Only—Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2009, or other tax year beginning 2009, ending 20 OMB No. 1545-0074

Label (See instructions on page 14.) Use the IRS label. Otherwise, please print or type.

Personal Information

Your first name and initial **THOMAS J.** Last name **BUCHANAN** Your social security number **8151**

If a joint return, spouse's first name and initial **KIMBERLY D.** Last name **BUCHANAN** Spouse's social security number **9200**

Home address (number and street). If you have a P.O. box, see page 14. Apt. no. **You must enter your SSN(s) above.**

City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. **KNOXVILLE TN 37922** Checking a box below will not change your tax or refund.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14) ☐ You ☐ Spouse

Filing Status

1 ☐ Single 4 ☐ Head of household (with qualifying person). (See page 15.) If the qualifying person is a child but not your dependent, enter this child's name here.

2 ☒ Married filing jointly (even if only one had income) 5 ☐ Qualifying widow(er) with dependent child (see page 16)

3 ☐ Married filing separately. Enter spouse's SSN above and full name here.

Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a

b ☒ Spouse

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) If qual. child for child tax cr. (see page 17)	No. of children on 6c who:
TREVOR	MASSEY	2344	SON		1

If more than four dependents, see page 17 and check here ☐

d Total number of exemptions claimed **3**

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2 **7**

8a Taxable interest. Attach Schedule B if required **8a**

b Tax-exempt interest. Do not include on line 8a **8b**

9a Ordinary dividends. Attach Schedule B if required **9a**

b Qualified dividends (see page 22) **9b**

10 Taxable refunds, credits, or offsets of state and local income taxes (see page 23) **10**

11 Alimony received **11**

12 Business income or (loss). Attach Schedule C or C-EZ **12 152,280**

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐ **13**

14 Other gains or (losses). Attach Form 4797 **14**

15a IRA distributions **15a** b Taxable amount (see page 24) **15b**

16a Pensions and annuities **16a** b Taxable amount (see page 25) **16b**

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E **17 -6,614**

18 Farm income or (loss). Attach Schedule F **18**

19 Unemployment compensation in excess of \$2,400 per recipient (see page 27) **19**

20a Social security benefits **20a** b Taxable amount (see page 27) **20b**

21 Other income. List type and amount (see page 29) **SEE STATEMENT 1** **21 -40,161**

22 Add the amounts in the far right column for lines 7 through 21. This is your total income **22 105,505**

Adjusted Gross Income

23 Educator expenses (see page 29) **23**

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ **24**

25 Health savings account deduction. Attach Form 8889 **25**

26 Moving expenses. Attach Form 3903 **26**

27 One-half of self-employment tax. Attach Schedule SE **27 10,759**

28 Self-employed SEP, SIMPLE, and qualified plans **28**

29 Self-employed health insurance deduction (see page 30) **29 16,424**

30 Penalty on early withdrawal of savings **30**

31a Alimony paid b Recipient's SSN **31a**

32 IRA deduction (see page 31) **32**

33 Student loan interest deduction (see page 34) **33 430**

34 Tuition and fees deduction. Attach Form 8917 **34**

35 Domestic production activities deduction. Attach Form 8803 **35**

36 Add lines 23 through 31a and 32 through 35 **36 27,613**

37 Subtract line 36 from line 22. This is your adjusted gross income **37 77,892**

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 97. Form **1040** (2009)

Form 1040 (2009) THOMAS J. & KIMBERLY D. BUCHANAN

8151 Page 2

Tax and Credits**Standard Deduction for—**

• People who check any box on line 39a, 39b, or 40b or who can be claimed as a dependent, see page 35.

• All others:
Single or Married filing separately, \$5,700

Married filing jointly or Qualifying widow(er), \$11,400

Head of household, \$8,350

38	Amount from line 37 (adjusted gross income)	38	77,892
39a	Check <input type="checkbox"/> You were born before January 2, 1945, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1945, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
b	If your spouse itemizes on a separate return or you were a dual-status alien, see page 35 and check here <input type="checkbox"/> 39b		
40a	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40a	58,968
b	If you are increasing your standard deduction by certain real estate taxes, new motor vehicle taxes, or a net disaster loss, attach Schedule L and check here (see page 35) <input type="checkbox"/> 40b		
41	Subtract line 40a from line 38	41	18,924
42	Exemptions. If line 38 is \$125,100 or less and you did not provide housing to a Midwestern displaced individual, multiply \$3,650 by the number on line 6d. Otherwise, see page 37	42	10,950
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	7,974
44	Tax (see page 37). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4872	44	798
45	Alternative minimum tax (see page 40). Attach Form 6251	45	
46	Add lines 44 and 45	46	798
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 29	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit (see page 42)	51	
52	Credits from Form: a <input type="checkbox"/> 8396 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 5685	52	
53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	798
56	Self-employment tax. Attach Schedule SE	56	21,516
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59	Additional taxes: a <input type="checkbox"/> ABC payments b <input type="checkbox"/> Household employment taxes. Attach Schedule H	59	
60	Add lines 55 through 59. This is your total tax	60	22,314

Payments

If you have a qualifying child, attach Schedule EIC.

61	Federal income tax withheld from Forms W-2 and 1099	61	
62	2009 estimated tax payments and amount applied from 2008 return	62	20,000
63	Making work pay and government retiree credits. Attach Schedule M	63	800
64a	Earned income credit (EIC)	64a	
b	Nontaxable combat pay election <input type="checkbox"/> 64b		
65	Additional child tax credit. Attach Form 8812	65	
66	Refundable education credit from Form 8863, line 18	66	
67	First-time homebuyer credit. Attach Form 5405	67	
68	Amount paid with request for extension to file (see page 72)	68	20,000
69	Excess social security and tier 1 RRTA tax withheld (see page 72)	69	
70	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 4136 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	70	
71	Add lines 61, 62, 63, 64a, & 65 through 70. These are your total payments	71	40,800

Refund

Direct deposit? See page 73 and fill in 73b, 73c, and 73d, or Form 8888.

72	If line 71 is more than line 60, subtract line 60 from line 71. This is the amount you overpaid	72	18,486
73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/> 73a		
b	Routing number		
d	Account number		
c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
74	Amount of line 72 you want applied to your 2010 estimated tax	74	18,486

Amount You Owe

75	Amount you owe. Subtract line 71 from line 60. For details on how to pay, see page 74	75	
76	Estimated tax penalty (see page 74)	76	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 75)? ☒ Yes. Complete the following. ☐ No

Designee's name **JACKIE L. SIMPSON** Personal identification number (PIN) **80574** Phone no. **865-690-7010**

Sign Here

Joint return? See page 15. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Your occupation **SELF EMPLOYED** Daytime phone number _____

Spouse's signature. If a joint return, both must sign. _____ Date _____ Spouse's occupation **SELF EMPLOYED**

Paid**Preparer's Use Only**

Preparer's signature _____ Date _____ Check if self-employed ☐ Preparer's SSN or PTIN **P00080574**

Firm's name (or yours if self-employed), address, and ZIP code **PINKSTAFF, SIMPSON, HALL AND HEADRICK PC** EIN **62-1719416**
8858 CEDAR SPRINGS LANE, SUITE 5000 Phone no. **865-690-7010**
KNOXVILLE TN 37923

SCHEDULE A
(Form 1040)**Itemized Deductions**

OMB No. 1545-0074

2009Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040.

▶ See Instructions for Schedule A (Form 1040).

Attachment
Sequence No. **07**

Name(s) shown on Form 1040

THOMAS J. & KIMBERLY D. BUCHANAN

Your social security number

8151

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see page A-1)	1	6,740	
2	Enter amount from Form 1040, line 38 2		77,892	
3	Multiply line 2 by 7.5% (.075)	3	5,842	
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4		898
Taxes You Paid	5 State and local (check only one box):			
(See page A-2.)	a <input type="checkbox"/> Income taxes, or	5	1,576	
	b <input checked="" type="checkbox"/> General sales taxes	6	4,206	
	6 Real estate taxes (see page A-5)	7		
	7 New motor vehicle taxes from line 11 of the worksheet on back. Skip this line if you checked box 5b	8		
	8 Other taxes. List type and amount ▶	9		5,782
	9 Add lines 5 through 8			
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	44,150	
(See page A-8.)	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-7 and show that person's name, identifying no., and address ▶	11		
	12 Points not reported to you on Form 1098. See page A-7 for special rules	12		
	13 Qualified mortgage insurance premiums (see page A-7)	13		
	14 Investment interest. Attach Form 4952 if required. (See page A-8.)	14		
	15 Add lines 10 through 14	15		44,150
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see page A-8	16	2,874	
If you made a gift and got a benefit for it, see page A-8.	17 Other than by cash or check. If any gift of \$250 or more, see page A-8. You must attach Form 8283 if over \$500	17		
	18 Carryover from prior year	18	5,264	
	19 Add lines 16 through 18	19		8,138
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See page A-10.)	20		
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-10.) ▶	21		
(See page A-10.)	22 Tax preparation fees	22		
	23 Other expenses—investment, safe deposit box, etc. List type and amount ▶	23		
	24 Add lines 21 through 23	24		
	25 Enter amount from Form 1040, line 38 25	25		
	26 Multiply line 25 by 2% (.02)	26		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27		
Other Miscellaneous Deductions	28 Other—from list on page A-11. List type and amount ▶	28		
Total Itemized Deductions	29 Is Form 1040, line 36, over \$166,800 (over \$83,400 if married filing separately)?	29		58,968
	<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40a.			
	<input type="checkbox"/> Yes. Your deduction may be limited. See page A-11 for the amount to enter.			
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>			

For Paperwork Reduction Act Notice, see Form 1040 instructions.
DAA

Schedule A (Form 1040) 2009

SCHEDULE C
(Form 1040)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2009Department of the Treasury
Internal Revenue Service (99)Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
Attach to Form 1040, 1040NR, or 1041. See instructions for Schedule C (Form 1040).Attachment
Sequence No. **09**

Name of proprietor

THOMAS J. & KIMBERLY D. BUCHANAN

Social security number (SSN)

8151

A Principal business or profession, including product or service (see page C-2 of the instructions)

RETAIL - CLOTHING & ACCESSORIES

B Enter code from pages C-9, 10, & 11

448190

C Business name. If no separate business name, leave blank.

BELLA BOUTIQUE

D Employer ID number (EIN), if any

62-1723905

E Business address (including suite or room no.) 6484 KINGSTON PIKE

City, town or post office, state, and ZIP code

KNOXVILLE

TN 37919

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) _____**G** Did you "materially participate" in the operation of this business during 2009? If "No," see page C-3 for limit on losses☒ Yes☐ No**H** If you started or acquired this business during 2009, check here**Part I Income****1** Gross receipts or sales. Caution. See page C-4 and check the box if:

- This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or

- You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see page C-3 for limit on losses.

1 935,162

2 Returns and allowances

2 4,650

3 Subtract line 2 from line 1

3 930,512

4 Cost of goods sold (from line 42 on page 2)

4 391,538

5 Gross profit. Subtract line 4 from line 3

5 538,974

6 Other income, including federal and state gasoline or fuel tax credit or refund (see page C-4)

6

7 Gross income. Add lines 5 and 6

7 538,974

Part II Expenses. Enter expenses for business use of your home only on line 30.**8** Advertising

8 55,479

9 Car and truck expenses (see page C-4)

9

10 Commissions and fees

10

11 Contract labor (see page C-4)

11 7,042

12 Depletion

12

13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-5)

13 11,024

14 Employee benefit programs (other than on line 19)

14

15 Insurance (other than health)

15 4,822

16 Interest:**a** Mortgage (paid to banks, etc.)

16a

b Other

16b 30,305

17 Legal and professional services

17 5,612

18 Office expense

18

19 Pension and profit-sharing plans

19

20 Rent or lease (see page C-6):**a** Vehicles, machinery, and equipment

20a 618

b Other business property

20b 137,690

21 Repairs and maintenance

21 7,285

22 Supplies (not included in Part III)

22 6,011

23 Taxes and licenses

23 6,501

24 Travel, meals, and entertainment:**a** Travel

24a 545

b Deductible meals and entertainment (see page C-6)

24b 993

25 Utilities

25 12,789

26 Wages (less employment credits)

26 49,527

27 Other expenses (from line 48 on page 2)

27 49,615

28 Total expenses before expenses for business use of home. Add lines 8 through 27

28 385,858

29 Tentative profit or (loss). Subtract line 28 from line 7

29 153,116

30 Expenses for business use of your home. Attach Form 8829

30

31 Net profit or (loss). Subtract line 30 from line 29.

- If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (If you checked the box on line 1, see page C-7). Estates and trusts, enter on Form 1041, line 3.

- If a loss, you must go to line 32.

31 153,116

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).

- If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (If you checked the box on line 1, see the line 31 instructions on page C-7). Estates and trusts, enter on Form 1041, line 3.

- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a ☐ All investment is at risk.32b ☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see page C-9 of the instructions.

Schedule C (Form 1040) 2009

8151

Page 2

AR0923

**SCHEDULE C
(Form 1040)****Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2009Department of the Treasury
Internal Revenue Service (99)Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
Attach to Form 1040, 1040NR, or 1041. See instructions for Schedule C (Form 1040).Attachment
Sequence No. **09**

Name of proprietor

THOMAS J. BUCHANAN

Social security number (SSN)

8151

A Principal business or profession, including product or service (see page C-2 of the instructions)

INTERNET ADVERTISING AND RETAIL

B Enter code from pages C-8, 10, & 11

448120

C Business name. If no separate business name, leave blank.

VISION MARKETING, LLC

D Employer ID number (EIN), if any

20-5503165

E Business address (including suite or room no.)

6484 KINGSTON PIKE

City, town or post office, state, and ZIP code

KNOXVILLE

TN 37919

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶**G** Did you "materially participate" in the operation of this business during 2009? If "No," see page C-3 for limit on losses☒ Yes☐ No**H** If you started or acquired this business during 2009, check here**Part I Income****1** Gross receipts or sales. Caution. See page C-4 and check the box if:

- This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or

- You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see page C-3 for limit on losses.

2 Returns and allowances**3** Subtract line 2 from line 1**4** Cost of goods sold (from line 42 on page 2)**5** Gross profit. Subtract line 4 from line 3**6** Other income, including federal and state gasoline or fuel tax credit or refund (see page C-4)**7** Gross income. Add lines 5 and 6**Part II Expenses. Enter expenses for business use of your home only on line 30.****8** Advertising**9** Car and truck expenses (see page C-4)**10** Commissions and fees**11** Contract labor (see page C-4)**12** Depletion**13** Depreciation and section 179 expense deduction (not included in Part III) (see page C-5)**14** Employee benefit programs (other than on line 19)**15** Insurance (other than health)**16** Interest:**a** Mortgage (paid to banks, etc.)**b** Other**17** Legal and professional services**18** Office expense**19** Pension and profit-sharing plans**20** Rent or lease (see page C-6):**a** Vehicles, machinery, and equipment**b** Other business property**21** Repairs and maintenance**22** Supplies (not included in Part III)**23** Taxes and licenses**24** Travel, meals, and entertainment:**a** Travel**b** Deductible meals and entertainment (see page C-6)**25** Utilities**26** Wages (less employment credits)**27** Other expenses (from line 48 on page 2)**28** Total expenses before expenses for business use of home. Add lines 8 through 27**29** Tentative profit or (loss). Subtract line 28 from line 7**30** Expenses for business use of your home. Attach Form 8829**31** Net profit or (loss). Subtract line 30 from line 29.

- If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see page C-7). Estates and trusts, enter on Form 1041, line 3.

- If a loss, you must go to line 32.

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).

- If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions on page C-7). Estates and trusts, enter on Form 1041, line 3.

- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a ☒ All investment is at risk.
32b ☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see page C-9 of the instructions.

Schedule C (Form 1040) 2009

DAA

Schedule E (Form 1040) 2009

Attachment Sequence No. 13

Page 2

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

THOMAS J. & KIMBERLY D. BUCHANAN

8151

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 8198. See page E-1.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see page E-7 before completing this section.

☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership, S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	YAZCO	P		20-5345584	
B	RENTAL REAL ESTATE	P		20-5345584	
C	YAZCO	P		20-5345584	
D	RENTAL REAL ESTATE	P		20-5345584	

Passive Income and Loss		Nonpassive Income and Loss	
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562
A	0		
B	0	3,307	
C	0		
D	0	3,307	
29a Totals			
b Totals		6,614	
30 Add columns (g) and (i) of line 29a			30 0
31 Add columns (f), (h), and (i) of line 29b			31 6,614
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			32 -6,614

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		
Passive Income and Loss		Nonpassive Income and Loss
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1
A		
B		
34a Totals		
b Totals		
35 Add columns (d) and (f) of line 34a		35
36 Add columns (c) and (e) of line 34b		36
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-8)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39 Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below					39

Part V Summary

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, & 40. Enter the result here & on Form 1040, line 17, or Form 1040NR, line 18	41	-6,614
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see page E-8)	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

DAA

Schedule E (Form 1040) 2009

**SCHEDULE SE
(Form 1040)****Self-Employment Tax**

OMB No. 1545-0074

2009Attachment
Sequence No. **17**Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040. ▶ See instructions for Schedule SE (Form 1040).

Name of person with self-employment income (as shown on Form 1040)

THOMAS J. BUCHANANSocial security number of person
with self-employment income ▶**8151****Who Must File Schedule SE**

You must file Schedule SE if:

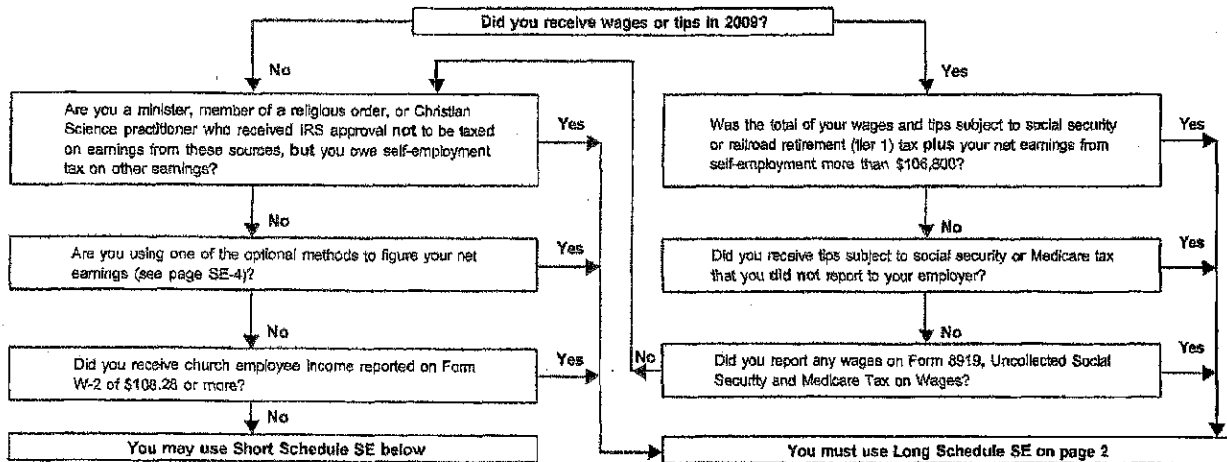
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, or
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see page SE-1).

Note. Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-4).

Exception. If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt—Form 4361" on Form 1040, line 56.

May I Use Short Schedule SE or Must I Use Long Schedule SE?

Note. Use this flowchart **only** if you must file Schedule SE. If unsure, see Who Must File Schedule SE, above.

**Section A—Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.**

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	75,722
3 Combine lines 1a, 1b, and 2	3	75,722
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax	4	69,929
5 Self-employment tax. If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56. • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on Form 1040, line 56.	5	10,699
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27	6	5,350

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule SE (Form 1040) 2009

SCHEDULE SE
(Form 1040)**Self-Employment Tax**

OMB No. 1545-0074

2009Attachment
Sequence No. **17**Department of the Treasury
Internal Revenue Service (99)▶ **Attach to Form 1040.** ▶ **See instructions for Schedule SE (Form 1040).**

Name of person with self-employment income (as shown on Form 1040)

KIMBERLY D. BUCHANANSocial security number of person
with self-employment income ▶**9200****Who Must File Schedule SE**

You must file Schedule SE if:

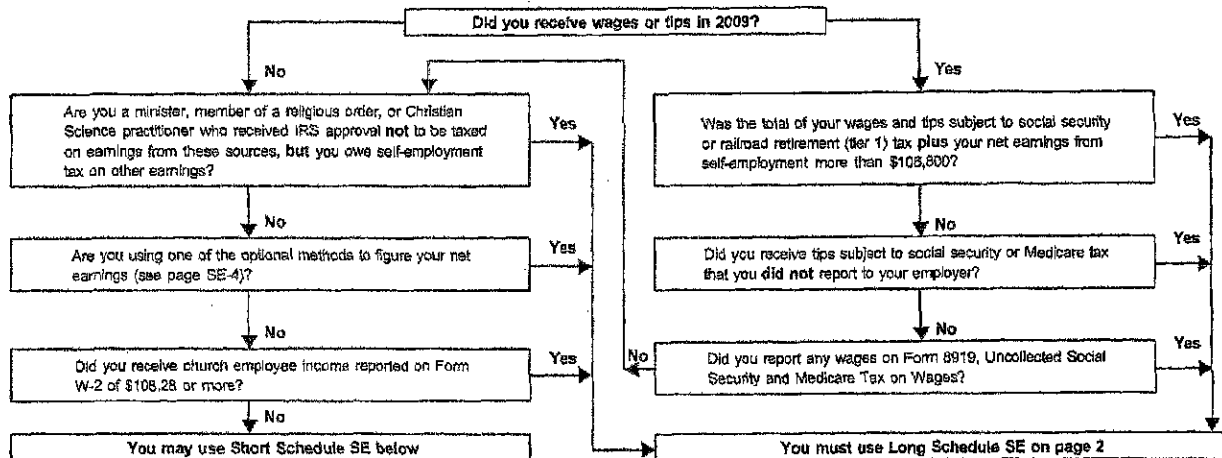
- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more, or
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order is **not** church employee income (see page SE-1).

Note. Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-4).

Exception. If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt—Form 4361" on Form 1040, line 56.

May I Use Short Schedule SE or Must I Use Long Schedule SE?

Note. Use this flowchart **only** if you must file Schedule SE. If unsure, see Who Must File Schedule SE, above.

**Section A—Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.**

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 8b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	76,558
3 Combine lines 1a, 1b, and 2	3	76,558
4 Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax	4	70,701
5 Self-employment tax. If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56. • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on Form 1040, line 56.	5	10,817
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27	6	5,409

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule SE (Form 1040) 2009

Form **4562**
Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2009Attachment
Sequence No. **67**

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

THOMAS J. & KIMBERLY D. BUCHANAN

Identifying number

8151

Business or activity to which this form relates

RETAIL - CLOTHING & ACCESSORIES

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000
2	Total cost of section 179 property placed in service (see instructions)	2	7,361
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	250,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	SHELVING	7,361	7,361
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	7,361
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	7,361
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	153,027
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	7,361
13	Carryover of disallowed deduction to 2010. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instr.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	3,663
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶		

Section B—Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	11,024
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2009)

DAA

THERE ARE NO AMOUNTS FOR PAGE 2

SCHEDULE M
(Form 1040A or 1040)**Making Work Pay and Government
Retiree Credits**

OMB No. 1545-0074

2009Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040A, 1040, or 1040NR.

▶ See separate instructions.

Attachment
Sequence No. **166**

Name(s) shown on return

Your social security number

THOMAS J. & KIMBERLY D. BUCHANAN**8151**

- 1a Important:** See the instructions if you can be claimed as someone else's dependent or are filing Form 1040NR. Check the "No" box below and see the instructions if (a) you have a net loss from a business, (b) you received a taxable scholarship or fellowship grant not reported on a Form W-2, (c) your wages include pay for work performed while an inmate in a penal institution, (d) you received a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan, or (e) you are filing Form 2555 or 2555-EZ.

Do you (and your spouse if filing jointly) have 2009 wages of more than \$6,451 (\$12,903 if married filing jointly)?

☐ Yes. Skip lines 1a through 3. Enter \$400 (\$800 if married filing jointly) on line 4 and go to line 5.☒ No. Enter your earned income (see instructions)**1a** **141,521**

- b** Nontaxable combat pay included on line 1a (see instructions) **1b**

2 Multiply line 1a by 6.2% (.062)**2** **8,774****3** Enter \$400 (\$800 if married filing jointly)**3** **800****4** Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a)**4** **800****5** Enter the amount from Form 1040, line 38*, or Form 1040A, line 22**5** **77,892****6** Enter \$75,000 (\$150,000 if married filing jointly)**6** **150,000****7** Is the amount on line 5 more than the amount on line 6?☒ No. Skip line 8. Enter the amount from line 4 on line 9 below.☐ Yes. Subtract line 6 from line 5**7****8** Multiply line 7 by 2% (.02)**8****9** Subtract line 8 from line 4. If zero or less, enter -0-**9** **800**

- 10** Did you (or your spouse, if filing jointly) receive an economic recovery payment in 2009? You may have received this payment if you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits (see instructions).

☒ No. Enter -0- on line 10 and go to line 11.☐ Yes. Enter the total of the payments received by you (and your spouse, if filing jointly). Do not enter more than \$250 (\$500 if married filing jointly)**10** **0**

- 11** Did you (or your spouse, if filing jointly) receive a pension or annuity in 2009 for services performed as an employee of the U.S. Government or any U.S. state or local government from work not covered by social security? Do not include any pension or annuity reported on Form W-2.

☒ No. Enter -0- on line 11 and go to line 12.☐ Yes. • If you checked "No" on line 10, enter \$250 (\$500 if married filing jointly and the answer on line 11 is "Yes" for both spouses)

• If you checked "Yes" on line 10, enter -0- (exception: enter \$250 if filing jointly and the spouse who received the pension or annuity did not receive an economic recovery payment described on line 10)

11 **0****12** Add lines 10 and 11**12****13** Subtract line 12 from line 9. If zero or less, enter -0-**13** **800****14** Making work pay and government retiree credits. Add lines 11 and 13. Enter the result here and on Form 1040, line 63; Form 1040A, line 40; or Form 1040NR, line 80**14** **800**

*If you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico, see instructions.

For Paperwork Reduction Act Notice, see Form 1040A, 1040, or 1040NR instructions.

Schedule M (Form 1040A or 1040) 2009

DAA

8151

Federal Statements

Statement 1 - Form 1040, Line 21 - Other Income

Description	Amount
MON CHERI BRIDALS, LLC	\$ 79,361
MON CHERI REPORTED 62-1723905	-79,361
PRIOR YEAR NOL	-40,161
TOTAL	\$ -40,161

Form 1040	General Sales Tax Deduction Worksheet	2009
------------------	----------------------------------------------	-------------

Name as shown on return
THOMAS J. & KIMBERLY D. BUCHANAN

Taxpayer Identification Number
[REDACTED] -8151

State of TENNESSEE	Locality of KNOXVILLE (2.25)
------------------------------	----------------------------------------

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 37	1. <u>77,892</u>
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges)	2. _____
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, workers' compensation, nontaxable unemployment compensation and economic recovery payments. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2009	3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes	4. <u>77,892</u>
5. Enter the amount from the sales tax table in the Schedule A instructions	5. <u>1,193</u>
Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9	
6. Enter the number of days of residence in state	6. _____
7. Total days in year	7. <u>365</u>
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)	8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table.	9. <u>1,193</u>

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions	10. <u>1,193</u>
11. If you are a resident of Alaska, Arizona, Arkansas, California (Los Angeles County only), Colorado, Georgia, Illinois, Louisiana, Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.	11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)	12. <u>2.25000</u>
13. Enter the state general sales tax rate (include statewide local sales tax rate)	13. <u>7.00000</u>
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)	14. <u>0.321</u>
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables.	15. <u>383</u>
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	
If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables.	
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	
16. Enter the number of days of residence in locality	16. _____
17. Total days in year	17. <u>365</u>
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)	18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables.	19. <u>383</u>

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets	20. <u>1,193</u>
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets	21. <u>383</u>
22. Add lines 20 and 21, this is the total General Sales taxes using the tables	22. <u>1,576</u>
23. Enter the actual state and local general sales taxes paid	23. _____
24. Enter the greater of line 22 or line 23	24. <u>1,576</u>
25. Enter the state and local taxes paid on specified items (Major purchases)*	25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax	26. <u>1,576</u>
27. Enter total state and local income taxes paid*	27. _____

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a.

* Includes allowable new motor vehicle taxes, when applicable. If line 27 is greater, and includes new motor vehicle taxes, allowable new motor vehicle taxes are reported on Schedule A, line 7, and all state and local income taxes are reported on Schedule A, line 5.

From:

08/26/2013 16:08

#293 P.015/027

Form 1040	Charitable Contribution Carryover Worksheet	2009
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Name as shown on return

THOMAS J. BUCHANAN

Taxpayer Identification Number

8151

Current Year Contributions

 AGI * 77,892
 *Adjusted for NOL 118,053
Overall Charitable Contribution AGI Limitation 59,027

	Contribution	AGI Limitation	CY Amount Utilized	Utilized by NOL	Carryover to Next Year
50% Cash	<u>2,874</u>	<u>59,027</u>	<u>2,874</u>		
50% NonCash					
50% Cap Gain (30%)					
30% Cash					
30% NonCash					
20% NonCash					
Qual Conservation					
Totals	<u>2,874</u>		<u>2,874</u>		

50% Limitation Carryover Items

50% AGI Limitation 59,027Remaining Overall AGI Limitation 56,153

Fifth - 2004					
Fourth - 2005					
Third - 2006					
Second - 2007					
First - 2008	<u>5,264</u>	<u>56,153</u>	<u>5,264</u>		
Totals	<u>5,264</u>		<u>5,264</u>		

Capital gain property to 50% (30%) Carryover Items

50/30% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2004					
Fourth - 2005					
Third - 2006					
Second - 2007					
First - 2008					
Totals					

30% Limitation Carryover Items

30% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2004					
Fourth - 2005					
Third - 2006					
Second - 2007					
First - 2008					
Totals					

20% Limitation Carryover Items

20% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2004					
Fourth - 2005					
Third - 2006					
Second - 2007					
First - 2008					
Totals					

Cash contributions to Schedule A, Line 16 2,874

Carryover from prior years to Schedule A, Line 18

5,264

Non-cash contributions to Schedule A, Line 17

Contributions utilized by NOL, Wk 2, Line 21

Form 1040	Student Loan Interest Deduction Worksheet	2009
------------------	--------------------------------------------------	-------------

Name(s) as shown on return

Taxpayer Identification Number

THOMAS J. & KIMBERLY D. BUCHANAN

8151

- | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---------|
| 1. Enter the total interest you paid in 2009 on qualified students. Do not enter more than \$2,500 | 1. | 430 |
| 2. Enter the amount from Form 1040, line 22 or 1040A, line 15 | 2. | 105,505 |
| <small>Do not include any amounts from foreign earned income exclusion, foreign housing exclusion, exclusion of income from U.S. possessions, exclusion of income from Puerto Rico by bona fide residents of Puerto Rico</small> | | |
| 3. Enter the total of the amounts from Form 1040, lines 23 through 32, plus any amount you entered on the dotted line next to line 36, or 1040A, lines 16 and 17 | 3. | 27,183 |
| 4. Modified AGI. Subtract line 3 from line 2 | 4. | 78,322 |
| <small>Note: If line 4 is \$75,000 or more if single, head of household, or qualifying widow(er) or \$150,000 or more if married filing jointly, stop here. You cannot take the deduction</small> | | |
| 5. Enter: \$60,000 if single, head of household, or qualifying widow(er); \$120,000 if married filing jointly | 5. | 120,000 |
| 6. Subtract line 5 from line 4. If zero or less, enter -0- here and on line 8, skip line 7, and go to line 9 | 6. | 0 |
| 7. Divide line 6 by \$15,000 if single, head of household, or qualifying widow(er); \$30,000 if married filing jointly. Enter the result as a decimal (rounded to at least three decimal places) | 7. | |
| 8. Multiply line 1 by line 7 | 8. | 0 |
| 9. Student loan interest deduction. Subtract line 8 from line 1. Enter the result here and on Form 1040, line 33, or 1040A, line 18. Do not include this amount in figuring any other deduction on your return (such as on Schedule A, C, E, etc.) | 9. | 430 |

Form 1040		K-1 Reconciliation Worksheet - Sch E, B, D, Form 4797				2009	
Name		Taxpayer Identification Number		Screen K1		K1 Unit	
Entity Name YAZCO		EIN 20-5345584		2		2	
Entity Type PARTNERSHIP		Passive Activity Type NOT PASSIVE		Entire disposition of activity		Tax	
Current Year	Amount	PY Suspended	Disallowed	Disallowed	PY Suspended	Disallowed	Return
		Basis Loss	Basis Limitation	At-risk Loss	At-risk Limitation	Passive Loss	Loss Limitation
Schedule E page 2							
Ordinary business income/loss	-3,307						-3,307
Net rental real estate income/loss							
Other net rental income/loss							
Guaranteed payments							
Section 179 expense							
Disallowed Section 179 expense							
Depreciation							
Intangible drilling expenses							
Preproductive period expense							
Commercial revitalization deduct							
Reforestation expense deduct							
Other deductions							
Unreimbursed expenses							
Other income - Schedule E							
Debt financed acquisition							
Dependent care benefits							
Total Schedule E page 2	-3,307						-3,307
Schedule E page 1							
Royalties							
Deductions-royalty income							
Depreciation							
Total Schedule E page 1							
Schedule B							
Interest income							
Tax-exempt interest income							
Dividend income							
Qualified dividends (1040, Page 1)							
Schedule D/6781							
Short-term capital gain/loss							
Long-term capital gain/loss							
28% capital gain/loss							
Section 1202 exclusion							
1256 contracts and straddles							
Form 4797							
4797 Part I							
4797 Part II							
Section 179/280F recapture							

Form 1040	Net Operating Loss Worksheet 2 - Carryover Calculation	2009
------------------	---------------------------------------------------------------	-------------

Name THOMAS JR & KIMBERLY D. BUCHANAN	Taxpayer Identification Number 8151
-----------------------------------------------------	-----------------------------------------------

USE YOUR 2009 FORM 1040 TO COMPLETE THE WORKSHEET:

1. Enter as a positive number your NOL deduction from line 21 (Form 1040)
2. Enter your taxable income without the NOL deduction
3. Enter as a positive number any net capital loss deduction
4. Enter as a positive number any gain excluded on the sale of qualified small business stock
5. Enter the amount of any domestic production activities deduction
6. Enter any adjustments to adjusted gross income
7. Enter any adjustments to itemized deductions from line 32 or line 44 below
8. Enter your deduction for personal exemptions from line 42 (Form 1040)
9. **Modified taxable income** Combine lines 2 through 8 & enter result (but not less than zero)
10. **NOL carryover to 2010** Subtract line 9 from line 1 & enter result (not less than zero)

40,161	
48,135	
0	
0	
0	
0	
898	
10,950	
59,983	

ADJUSTMENTS TO ITEMIZED DEDUCTIONS (Individuals Only)

11. Enter your AGI without the NOL deduction for the NOL year entered above or later years
12. Combine lines 3, 4, 5, and 6 above
13. **Modified adjusted gross income.** Combine lines 11 and 12 above

118,053	
0	
118,053	

ADJUSTMENTS TO MEDICAL EXPENSES:

14. Enter your medical expenses from Schedule A (Form 1040), line 4
15. Enter your medical expenses from Schedule A (Form 1040), line 1
16. Multiply line 13 by 7.5% (.075)
17. Subtract line 16 from line 15 and enter the result (but not less than zero)
18. Subtract line 17 from line 14

898	
6,740	
8,854	
0	
898	

ADJUSTMENTS TO CHARITABLE CONTRIBUTIONS:

19. Enter your charitable contributions deduction from Schedule A (Form 1040), line 19
20. Refigure your charitable contributions deduction using line 13 above as your AGI
21. Subtract line 20 from line 19

8,138	
8,138	
0	

ADJUSTMENT TO CASUALTY AND THEFT LOSSES:

22. Enter your casualty and theft losses from Form 4684, line 20
23. Enter your casualty and theft losses from Form 4684, line 18
24. Multiply line 13 by 10% (.10)
25. Subtract line 24 from line 23 and enter the result (but not less than zero)
26. Subtract line 25 from line 22

ADJUSTMENT TO MISCELLANEOUS DEDUCTIONS:

27. Enter your miscellaneous itemized deductions from Schedule A (Form 1040), line 27
28. Enter your miscellaneous itemized deductions from Schedule A (Form 1040), line 24
29. Multiply line 13 by 2% (.02)
30. Subtract line 29 from line 28. Enter the result (but not less than zero)
31. Subtract line 30 from line 27

TENTATIVE TOTAL ADJUSTMENT:

32. Combine lines 18, 21, 26, and 31. If line 13 is \$166,800 or less (\$83,400 or less if MFS), enter the amount from this line on line 7 above and stop here. Otherwise go to line 33

	898
--	-----

ADJUSTMENT TO OVERALL ITEMIZED DEDUCTIONS LIMIT:

33. Enter the amount on Schedule A (Form 1040), line 29
34. Add lines 17, 20, 25, and 30, and the amounts on Schedule A (Form 1040), lines 9, 15, and 28
35. Add lines 17 and 25, the amount on Schedule A (Form 1040), line 14, and any gambling losses included on Schedule A (Form 1040), line 28
36. Subtract line 35 from line 34. If the result is zero, enter amount from line 32 on line 7 above and stop here. Otherwise, go to line 37.
37. Multiply line 36 by 80% (.80)
38. Subtract \$166,800 (\$83,400 if married filing separately) from the amount on line 13
39. Multiply line 38 by 3% (.03)
40. Enter the smaller of line 37 or line 39
41. Divide line 40 by 1.50
42. Subtract line 41 from line 40
43. Subtract line 42 from line 34. Enter the result (but not less than standard deduction amount)
44. Subtract line 43 from line 33. Enter the result here and on line 7

Form 1040	Net Operating Loss Worksheet 3	2009
------------------	---------------------------------------	-------------

Name **THOMAS J. & KIMBERLY D. BUCHANAN** Taxpayer Identification Number **8151**

Special Allowance for Rental Real Estate With Active Participation - Recalculation for NOL Deduction Calculation

1. Enter the smaller of the loss on line 1d or the loss on line 3 from Form 8582 1. _____
2. Enter \$150,000. If married filing separately, see the instructions 2. _____
3. Enter NOL modified adjusted gross income, but not less than zero 3. _____
 Note: If line 3 is equal to or greater than line 2, skip lines 4 and 5, enter -0- on line 6. Otherwise, go to line 4.
4. Subtract line 3 from line 2 4. _____
5. Multiply line 4 by 50% (.5) 5. _____
- Do not enter more than \$25,000. If married filing separately, see the instructions.
6. Enter the smaller of line 1 or line 5 6. _____

Net Operating Loss Carryover Information

Prior Year Carryover	Prior Amounts Utilized/Generated Current Year	Carryover to 2010
1994	1994	1995
1995	1995	1996
1996	1996	1997
1997	1997	1998
1998	1998	1999
1999	1999	2000
2000	2000	2001
2001	2001	2002
2002	2002	2003
2003	2003	2004
2004	2004	2005
2005	2005	2006
2006	2006	2007
2007	2007	2008
2008	2008	2009
	2009	Total

2006	25,867	2006	25,867
2007		2007	
2008	14,294	2008	14,294
		2009	-40,161

AMT Net Operating Loss Carryover Information

Prior Year Carryover	Prior Amounts Utilized/Generated Current Year	Carryover to 2010
1994	1994	1995
1995	1995	1996
1996	1996	1997
1997	1997	1998
1998	1998	1999
1999	1999	2000
2000	2000	2001
2001	2001	2002
2002	2002	2003
2003	2003	2004
2004	2004	2005
2005	2005	2006
2006	2006	2007
2007	2007	2008
2008	2008	2009
	2009	Total

2006	24,966	2006	24,966
2007		2007	
2008	13,851	2008	13,851
		2009	-38,817

Form 1040	Net Operating Loss Worksheet 4 - AMT Carryover Calculation	2009
------------------	-------------------------------------------------------------------	-------------

Name
THOMAS J. & KIMBERLY D. BUCHANAN

Taxpayer Identification Number
8151

USE YOUR 2009 FORM 1040 TO COMPLETE THE WORKSHEET:

1. Enter as a positive number your AMT NOL deduction
2. Enter your alternative minimum taxable income without the NOL deduction
3. Enter as a positive number any net capital loss deduction
4. Enter as a positive number any gain excluded on the sale of qualified small business stock
5. Enter the amount of any domestic production activities deduction
6. Enter any adjustments to adjusted gross income
7. Enter any adjustments to itemized deductions from line 32 or line 44 below
8. Modified alternative taxable income. Combine lines 2 through 7 (but not less than zero)
9. Alternative taxable income limitation. Enter 90% of line 8
10. AMT NOL carryover to 2010. Subtract line 9 from line 1 (but not less than zero)

38,817	
65,044	
0	
0	
0	
0	
898	
65,942	
59,348	
0	

ADJUSTMENTS TO ITEMIZED DEDUCTIONS (Individuals Only)

11. Enter your adjusted gross income without the NOL deduction
12. Combine lines 3, 4, 5, and 6 above
13. Modified adjusted gross income. Combine lines 11 and 12 above

118,053	
0	
118,053	

ADJUSTMENTS TO MEDICAL EXPENSES:

14. Enter your medical expenses from Schedule A (Form 1040), line 4
15. Enter your medical expenses from Schedule A (Form 1040), line 1
16. Multiply line 13 by 7.5% (.075)
17. Subtract line 16 from line 15 and enter the result (but not less than zero)
18. Subtract line 17 from line 14

898	
6,740	
8,854	
0	
898	

ADJUSTMENTS TO CHARITABLE CONTRIBUTIONS:

19. Enter your charitable contributions deduction from Schedule A (Form 1040), line 19
20. Refigure your charitable contributions deduction using line 13 above as your AGI
21. Subtract line 20 from line 19

8,138	
8,138	
0	

ADJUSTMENT TO CASUALTY AND THEFT LOSSES:

22. Enter your casualty and theft losses from Form 4684, line 20
23. Enter your casualty and theft losses from Form 4684, line 18
24. Multiply line 13 by 10% (.10)
25. Subtract line 24 from line 23 and enter the result (but not less than zero)
26. Subtract line 25 from line 22

ADJUSTMENT TO MISCELLANEOUS DEDUCTIONS:

27. Enter your miscellaneous itemized deductions from Schedule A (Form 1040), line 27
28. Enter your miscellaneous itemized deductions from Schedule A (Form 1040), line 24
29. Multiply line 13 by 2% (.02)
30. Subtract line 29 from line 28. Enter the result (but not less than zero)
31. Subtract line 30 from line 27

TENTATIVE TOTAL ADJUSTMENT:

32. Combine lines 18, 21, 26, and 31. If line 13 is \$166,800 or less (\$83,400 or less if MFS), enter the amount from this line on line 7 above and stop here. Otherwise go to line 33

	898
--	-----

ADJUSTMENT TO OVERALL ITEMIZED DEDUCTIONS LIMIT:

33. Enter the amount on Schedule A (Form 1040), line 29
34. Add lines 17, 20, 25, and 30, and the amounts on Schedule A (Form 1040), lines 9, 15, and 28
35. Add lines 17 and 25, the amount on Schedule A (Form 1040), line 14, and any gambling losses included on Schedule A (Form 1040), line 28
36. Subtract line 35 from line 34. If the result is zero, enter amount from line 32 on line 7 above and stop here. Otherwise, go to line 37.
37. Multiply line 36 by 80% (.80)
38. Subtract \$166,800 (\$83,400 if married filing separately) from the amount on line 13
39. Multiply line 38 by 3% (.03)
40. Enter the smaller of line 37 or line 39
41. Divide line 40 by 1.50
42. Subtract line 41 from line 40
43. Subtract line 42 from line 34. Enter the result (but not less than standard deduction)
44. Subtract line 43 from line 33. Enter the result here and on line 7

Form 1040	Net Earnings from Self-Employment Worksheet	2009
------------------	----------------------------------------------------	-------------

Name

Taxpayer Identification Number

THOMAS J. & KIMBERLY D. BUCHANAN

-8151

	Taxpayer	Spouse
Farm profit or (loss)		
Schedule F		
Farm Partnerships - Schedule K-1, box 14, code A		
Auto expense from farm partnerships		
Amortization from farm partnerships		
Depreciation & Section 179 from farm partnerships		
Depletion from farm partnerships		
Other expenses from farm partnerships		
Home office expenses from farm partnerships		
Unreimbursed partnership expenses from farm partnerships		
Farm adjustment to SE income		
Net farm profit or (loss) - Schedule SE line 1a	0	0
Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, In 6b or listed on Sch K-1 (Form 1065), box 20, code Y - Sch SE line 1b	0	0
Nonfarm profit or (loss)		
Schedule C (excluding minister Schedule C income reported below)	75,722	76,558
Nonfarm partnerships - Schedule K-1, box 14, code A		
Auto expense from nonfarm partnerships		
Amortization from nonfarm partnerships		
Depreciation & section 179 from nonfarm partnerships		
Depletion from nonfarm partnerships		
Other expenses from nonfarm partnerships		
Home office expenses from nonfarm partnerships		
Unreimbursed partnership expenses from nonfarm partnerships		
Employee business expenses - Form 2106 (excluding minister 2106 expenses reported below)		
Nonfarm adjustment to SE income		
Self-employment income reported as other income		
Self-employment income from contracts and straddles		
Minister/clergy self-employment income (from Clergy Worksheet Page 4, line 8)		
Net nonfarm profit or (loss) - Schedule SE line 2	75,722	76,558
Other income items subject to and/or exempt from self-employment tax		
Fees received for services performed as a notary public		
Earnings while debtor in a chapter 11 bankruptcy case		
Net adjustment included on Schedule SE, line 3	0	0
Net profit (loss) from self-employment activities - Schedule SE line 3	75,722	76,558
Church employee income - Schedule SE line 5a		

Form 1040	Self-Employed Health Insurance Deduction Worksheet	2009
Name of person with self-employment income (as shown on Form 1040) THOMAS J. BUCHANAN		Taxpayer Identification Number 8151

Description RETAIL - CLOTHING & ACCESSORIES	Form/Schedule C	Unit number 1
--------------------------------------------------------	------------------------	----------------------

1. Enter total payments made during the tax year for health insurance for you, your spouse and dependents.
Do not include amounts for any month you were eligible to participate in an employer-sponsored health plan by your or your spouse's employer, or:
 - Any amounts paid from retirement plan distributions that were nontaxable because you are a retired public safety officer
 - Any amounts you included on Form 8885, line 4
 - Any qualified health insurance premiums you paid to "U.S. Treasury-HCTC", or
 - Any health coverage tax credit advance payments shown in box 1 of Form 1099-H
- Also, do not include payments for qualified long-term care insurance
1. 8,212
2. For long-term care insurance, enter the lesser of total payments made, or limited amount based on age
2. 8,212
3. Add the total of lines 1 and 2
3. 8,212
4. Enter your net profit and any other earned income from the trade or business under which the insurance plan is established. (If the business is an S corporation, skip to line 11.)
4. 76,558
5. Enter the total of all net profits from: line 31, Sch C; line 3, Sch C-EZ; line 36, Sch F; or box 14, Code A, Sch K-1 (Form 1065); plus any other income allocable to the profitable businesses. DO NOT include any net losses shown on these schedules
5. 76,558
6. Divide line 4 by line 5
6. 1.0000
7. Multiply Form 1040, line 27, by the percentage on line 6
7. 5,350
8. Subtract line 7 from line 4
8. 71,208
9. Enter the amount, if any, from Form 1040, line 28 attributable to the same trade or business in which the health insurance plan is established
9. 71,208
10. Subtract line 9 from line 8
10. 71,208
11. Enter your Medicare wages (Form W-2, box 5) from an S corporation in which you are a more-than-2% shareholder and in which the health insurance plan is established
11. 71,208
12. Enter the amount from Form 2555, line 45, attributable to the amount entered on line 4 or 11 above, or the amount from Form 2555-EZ, line 18, attributable to the amount entered on line 11 above
12. 71,208
13. Subtract line 12 from line 10 or 11, whichever applies
13. 71,208
14. Self-employed health insurance deduction. Enter the smaller of line 3 or line 13 here and on Form 1040, line 29. DO NOT include this amount in figuring any medical expense deduction on Schedule A
14. 8,212

From:

08/28/2013 16:12

#293 P.024/027

Form 1040	Self-Employed Health Insurance Deduction Worksheet	2009
Name of person with self-employment income (as shown on Form 1040) KIMBERLY D. BUCHANAN		Taxpayer Identification Number 9200
Description RETAIL - CLOTHING & ACCESSORIES	Form/Schedule C	Unit number 1

1. Enter total payments made during the tax year for health insurance for you, your spouse and dependents.
Do not include amounts for any month you were eligible to participate in an employer-sponsored health plan by your or your spouse's employer, or:
 - Any amounts paid from retirement plan distributions that were nontaxable because you are a retired public safety officer
 - Any amounts you included on Form 8885, line 4
 - Any qualified health insurance premiums you paid to "U.S. Treasury-HCTC", or
 - Any health coverage tax credit advance payments shown in box 1 of Form 1099-H
 Also, do not include payments for qualified long-term care insurance
2. For long-term care insurance, enter the lesser of total payments made, or limited amount based on age 1. 8,212
3. Add the total of lines 1 and 2 3. 8,212
4. Enter your net profit and any other earned income from the trade or business under which the insurance plan is established. (If the business is an S corporation, skip to line 11.) 4. 76,558
5. Enter the total of all net profits from: line 31, Sch C; line 3, Sch C-EZ; line 36, Sch F; or box 14, Code A, Sch K-1 (Form 1065); plus any other income allocable to the profitable businesses. DO NOT include any net losses shown on these schedules 5. 76,558
6. Divide line 4 by line 5 6. 1.0000
7. Multiply Form 1040, line 27, by the percentage on line 6 7. 5,409
8. Subtract line 7 from line 4 8. 71,149
9. Enter the amount, if any, from Form 1040, line 28 attributable to the same trade or business in which the health insurance plan is established 9. _____
10. Subtract line 9 from line 8 10. 71,149
11. Enter your Medicare wages (Form W-2, box 5) from an S corporation in which you are a more-than-2% shareholder and in which the health insurance plan is established 11. _____
12. Enter the amount from Form 2555, line 45, attributable to the amount entered on line 4 or 11 above, or the amount from Form 2555-EZ, line 18, attributable to the amount entered on line 11 above 12. _____
13. Subtract line 12 from line 10 or 11, whichever applies 13. 71,149
14. Self-employed health insurance deduction. Enter the smaller of line 3 or line 13 here and on Form 1040, line 29. DO NOT include this amount in figuring any medical expense deduction on Schedule A 14. 8,212

151

Federal Statements**Schedule A, Line 1 - Medical and Dental Expenses**

Description	Amount
MEDICAL/DENTAL EXPENSES	\$ 5,000
PRESCRIPTION DRUGS	1,740
TOTAL	<u>\$ 6,740</u>

Schedule A, Line 5b - State and Local General Sales Taxes

Description	Amount
GENERAL SALES TAX	\$ 1,576
TOTAL	<u>\$ 1,576</u>

Schedule A, Line 10 - Home Mortgage Interest From Form 1098

Description	Amount
SUNTRUST BANK	\$ 44,150
TOTAL	<u>\$ 44,150</u>

Schedule A, Line 16 - Charitable Contributions by Cash or Check

Description	Amount	Haiti Relief 1/12/10-2/28/10
MISC CHARITABLE ORGANIZATIONS	\$ 2,874	
TOTAL	<u>\$ 2,874</u>	

From:

08/20/2013 16:13

#293 P.026/027

151

Federal Statements

INTERNET ADVERTISING AND RETAIL

Schedule C, Line 23 - Taxes and Licenses

Description	Amount
OTHER TAXES & LICENSES	\$ 670
TOTAL	\$ 670

From:

06/26/2013 16:13

#293 P.027/027

8151

Federal Statements

RETAIL - CLOTHING & ACCESSORIES

Form 4562, Line 11 - Business Income

Description	Amount
BUSINESS INCOME	\$ 159,641
SCHEDULE E INCOME	-6,614
TOTAL	\$ 153,027

From:

08/23/2013 13:59

#290 P.001/002

Capital Financial Group, LLC
8320 E. Walker Springs Lane, Suite 100
Knoxville, TN 37923
Tel: 865-246-2955
FAX 865-246-1755



GROUP DISABILITY CAPITAL
1323898006
FINANCIAL GROUP, LLC

facsimile transmittal

Agent: J. Todd Williams toddwilliams@financialguide.com

To: Christopher Murphy Fax No: 781-304-5425
From: J. Todd Williams Date: 8/23/2012
Re: Tom & Kimberly Buchanan Pages: 2
Account # 037-1526-00

Mr Murohy,

Attached is the copy of the 2012 Automatic Extension of Time
to File US Individual Tax Return.

I will send the additional requirements when I receive them.

Thank you

Mitzi Ward



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Form **4868**
 Department of the Treasury
 Internal Revenue Service (99)
 (on bottom of page)

**Application for Automatic Extension of Time
 To File U.S. Individual Income Tax Return**

OMB No. 1545-0074

2012

Mail To: Department of the Treasury
 Internal Revenue Service
 KANSAS CITY, MO 64999-0045

CUT HERE

Form **4868**
 Department of the Treasury
 Internal Revenue Service (99)

**Application for Automatic Extension of Time
 To File U.S. Individual Income Tax Return**

OMB No. 1545-0074

2012

Part I Identification		Part II Individual Income Tax	
1 Your name(s) (see instructions)		4 Estimate of total tax liability for 2012 \$	
THOMAS J. BUCHANAN KIMBERLY D. BUCHANAN		5 Total 2012 payments	
Address (see instructions)		6 Balance due. Subtract line 5 from line 4 (see instructions)	
City, town, or post office		7 Amount you are paying (see instr.) ▶	
KNOXVILLE		8 Check here if you are "out of the country" and a U.S. citizen or resident (see instructions) ▶ <input type="checkbox"/>	
State	ZIP code	9 Check here if you file Form 1040NR or 1040NR-EZ and did not receive wages as an employee subject to U.S. income tax withholding ▶ <input type="checkbox"/>	
TN	37922		
2 Your social security number	3 Spouse's social security number		
8151	9200		

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Form **4868** (2012)

From: (860) 737-2704
Christopher Murphy
Sun Life Financial
175 Addison Road

Origin ID: EN7A



Windsor, CT 06095

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CAD: 3525060/NET3430

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Kim Buchanan

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PO #
Dept #

KNOXVILLE, TN 37934

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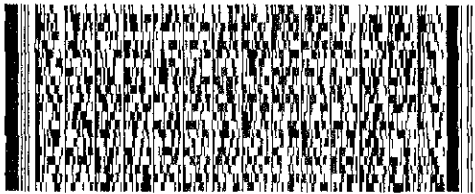
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Sun Life and Health Insurance Company (U.S.) *
175 Addison Road
P.O. Box 725
Windsor, CT 06095-0725

August 6, 2013

Kim Buchanan

Via Federal Express

[REDACTED]
Knoxville, TN. 37934

RE: Group Long Term Disability ("LTD") Account No.: 037-1526-00
Policyholder: Bella Boutique
Claimant: Kim Buchanan

Dear Ms. Buchanan:

This correspondence concerns the status of our review.

The following claim documentation was received prior to your claim appeal request:

- 2009 and 2010 Schedule Cs and Schedule SEs

The following claim documentation has been received since your claim appeal request:

- Copies of your 2010 and 2011 Federal Income Tax Returns
- Partnership Savings/ Checking Account(s) Monthly Statements

The following requested claim documentation remains outstanding:

- Complete copy of the Partnership Agreement in place as of the December 1, 2004, coverage effective date, as well as complete copies of any updated Partnership Agreement since that time
- Complete copies of your 2009 and 2012 Individual Federal Income Tax Returns form 1040 to include all schedules to include but not limited to E and K1, as well as attachments, which were submitted to and accepted by the IRS
- Complete copies of your 2009, 2010, 2011, and 2012 Partnership Federal Income Tax Returns form 1065 to include all schedules and attachments which were submitted to and accepted by the IRS
- Detailed Monthly Business Income/ Expense Financial Statements for the period 01/01/2009 to present

Please respond by either providing each of the outstanding claim documentation items or providing us a written response regarding the status of your submission of each of the outstanding claim documentation items.

The business and financial documentation which you have submitted has been referred to a consulting Certified Public Accountant for initial review and teleconference with your CPA, Rusty Foust.

* Formerly known as Genworth Life and Health Insurance Company
Sun Life and Health Insurance Company (U.S.) is a member of the Sun Life Financial group of companies
www.sunlife-usa.com

Apparent Claim Issues to be addressed:

- Whether or not you were an Active Full-time Employee being paid for such work in accordance with applicable Wage and Hour Laws;
- Whether or not you submitted Satisfactory Proof of Loss to support his Basic Monthly Earnings as defined;
- Whether or not your Sickness or Injury was the material and substantial factor in causing the earnings loss. A Sickness or Injury would not have a Demonstrated Relationship to a Disability if the earnings loss was produced primarily by causes which are not related to a Sickness or Injury;
- Whether or not you meet the definition of Total Disability or Partial Disability through the Elimination Period and beyond; and
- Whether or not you submitted Satisfactory Proof of Rehabilitative Employment earnings.

Should you have any questions regarding the above, I can be reached at 1-800-451-2513 x-2704. Our fax number is (781) 304-5425.

Sincerely,

Christopher Murphy

Christopher Murphy, HIA, ALHC
LTD Claims – Sr. Consultant, Appeals and Resolutions

From: (860) 737-2704
Christopher Murphy
Sun Life Financial
175 Addison Road

Windsor, CT 06095

Origin ID: EHTA

FedEx
Express



J:3201306280326

Ship Date: 06AUG13
Acft/Wgt: 7.0 LB
CAD: 3525060/NET3430

Delivery Address Bar Code



SHIP TO: (508) 832-0030
Jeff Bannon, CPA

BILL SENDER

162 Auburn Street

AUBURN, MA 01501

Ref # 439332
Invoice #
PO #
Dept #

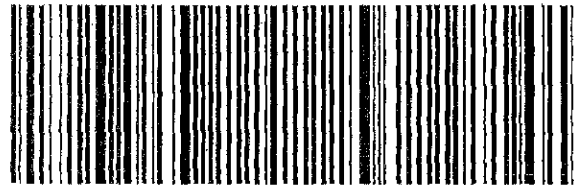
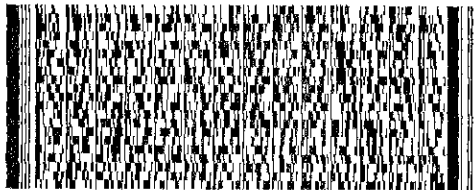
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CPA REFERRAL

Referred By: Christopher Murphy

Extension: 860-737-2704

Date: 07/29/13

E-Mail Address: Christopher.N.Murphy@Sunlife.com

Claimant's name: Kimberly Buchanan

Group Account Number: 037-1526-00

Control Number:

Company: SLHIC

Brief summary of Financial Situation and Questions:

In November 2011, Claimant submitted an LTD claim reporting a 05/11/2010 disability cease work date. LTD Contract at the time had the standard Basic Monthly Earnings definition which claimant chose as Employee Benefits Administrator when case was issued back in December 2004. Attendance & Payroll records were requested. Claimant responded that as a Partner/ Owner, they do not keep attendance and she does not receive pay/ income from Bella Boutique, rather Bella Boutique pays all their bills. No business/ financial documentation were submitted. Claimant advised that remaining income from the business was paid to her husband. CPA advised any income was allocated to husband, rather than 50:50. LTD claim was denied 02/14/2012 due to Lack of Proof. Claimant provided copy of her records in May 2012. In February 2013, claimant submitted 2009 and 2010 Schedule Cs, Schedule SEs which were returned as no appeal was submitted within 180 days of the denial. Appeal letter submitted June 2013. Insurable earnings and applicable definition of Basic Monthly Earnings referred to Small Group Underwriting who retro-actively revised definition to K1 for Partners given business entity reported as Partnership on application for coverage. While not a formal appeal, advised claimant would evaluate required business and financial records under the Partnership definition of earnings.

Basic Monthly Earnings (with respect to partners)

If you are a partner, your Basic Monthly Earnings will be calculated from the partnership federal income tax return as follows:

1. From the line which shows "net earnings (loss) from self-employment" from Schedule K-1 of the partnership income tax return (form 1065) for the calendar year prior to the date your Period of Disability begins; or
2. For the period that you were a partner if you were not a partner during the year for which the most recent partnership federal tax return was filed.

It includes employee pre-tax contributions to a deferred compensation plan which is defined by a documented, pre-determined formula.

Please review claim forms, claim statements, as well as Income Tax Returns, and business financial documents and advise regarding Basic Monthly Earnings and any Rehabilitative Employment Earnings for the period 05/11/2010 to present.

Purpose of Review:

- X Establish Basic Monthly Earnings
- X Determine Current Employment Income
- X Review Complex Tax Returns
- ☐ Other:

Additional Information:

Place call to Rusty Foust, CPA for Bella Boutique and the Buchanans
Telephone Number: (865) 690-7010

☐ Other:

Mon 8/5/13 2:20 p

(PGS) 246-2956

Misti & Todd Williams offer

1000 paper with cereal on the Auburn

where do we start

Jeff Bannon, CPA

162 Auburn St.

Auburn, Mt 01501

(508) 832-0030

June 12, 2013

GROUP DISABILITY
1317598037
☐ FILE IN _____

Carol A. Earle, ALHC, HIA, MHP
Sr. Benefit Consultant
Group Long Term Disability
Sun Life and Health Insurance Company
175 Addison Road
P. O. Box 725
Windsor, CT 06095-0725

RE: Kimberly D. Buchanan #411-13-9200 - Bella Boutique Long-Term Disability Claim
Sun Life Financial – Account Number: 037-1526-00 / Group Policy No: 37-0000

Please consider this letter to be my request and my authorization to appeal and reopen the referenced Long-Term Disability claim.

I have just recently submitted 2009 and 2010 financial documentation to Sun Life so they can continue processing this disability claim.

I also recently resubmitted copies of my initial Sun Life Application for Long-Term Disability Benefits as well as the additional medical information Sun Life requested.

I am including here my job description and my primary work responsibilities when I was able to work at Bella Boutique. I have also outlined here how my illness impacted my ability to perform my required job duties and how business suffered since I was disabled and unable to perform the duties and responsibilities of my job.

Please advise if Sun Life needs any additional information to complete the processing of my Long-Term Disability claim.

If you have any questions, please do not hesitate to contact me.

Thank you,



Kimberly D. Buchanan


Knoxville, TN 37934

Kimberly Buchanan - Bella Boutique

Job description: Owner and manager of Bella Boutique - ladies specialty boutique

Primary responsibilities: Buyer of dresses, accessories and everything offered in the boutique

I spent over one week at the Atlanta market in August buying dresses and another 4 or 5 days in October buying more dresses and accessories - such as shoes. Total dresses purchased approached 2,000 pieces at a cost of about \$400,000.

All divisions of our business suffered when I could not work. Our dress selection declined. We had to delete Mother of the Bride and social occasion dresses because that category is very difficult, and I was the only one who could buy merchandise, and sell the product. We had dedicated over 1000 square feet and two dressing rooms just for those categories. The entire dress category declined because customers wanted to see and work with me, and I was not able to work.

Because I was not able to work, accessories not only declined but inventory as well as margins declined greatly due to me not being able to buy from the wholesale district in New York where I saved at least 75%. I would spend a week at a time purchasing \$10,000 to \$20,000 of inventory items. We had to drop all social occasion accessories matching purses, shoes, jewelry and bridal accessories.

I was the manager and full-time employee. I worked 7 days a week on Monday through Saturday from 10:00 am until 8:00 pm. And I also worked from 12:00 pm to 6:00 pm on Sunday.

I was responsible for hiring and training staff (all part-time) with an annual turn-over due to employees being college students. I was responsible for making sure each employee did their job.

I checked all incoming merchandise - checking shipments versus the orders. I was responsible for getting the merchandise ready for the sales floor by steaming, tagging and pricing correctly.

I was responsible for the merchandising of the products we carried. With the dress inventory of over 1,500 pieces, the rotation of dresses throughout the store was important to keep the store displays fresh. I was constantly changing manikins.

I was responsible for restocking inventory. I had to know when to order, what to order and how much to order to make sure all categories were well stocked.

I was responsible for working daily with all vendors to check special orders. I was responsible for handling returns and making sure to issue the correct credit.

I had the following additional responsibilities:

Dress repairs:

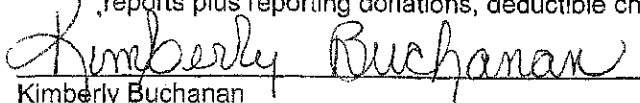
- Moving damaged dresses off the floor to be repaired, in-house or taken to out-sourced alterations company.
- Returning dresses to manufacturer if determined to be manufacturer flaw.

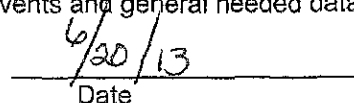
Bookkeeping:

- Writing all business expenses checks.
- Paying all vendors invoices in a timely manner and making sure they are correct and if there was a credit against an invoice making sure it is applied.
- Tracking all market orders, special orders, returns, duplicate invoices and business performance.

Accounting:

- Working with our accounting firm to make sure taxes were paid on time and give them all monthly sales reports plus reporting donations, deductible charity events and general needed data.


Kimberly Buchanan


Date

Mon July 15, 2013 11:40

Tom Buchanan -

March 1998 - started w/ \$30,000
1600 sq. feet

3000 sq. feet 8/2006

YAZCO, LLC owns building
set up by Rusty Faint

He does not know if Bella Boutique
is legally a Partnership.

Recently built e-commerce internet store.

They are a 100% Afr. business => 50%

2nd inflow is from

He has been home most of the past year, ^{Harry} ^{Attorney} ^{Review}
mostly by iPad / computer etc.

Kim's stomach was removed in 9/2010 ^{But his health team} ^{led to GHF}
10/2012

Wed. 6/26/13 2:40pm

Dad Williams (Plat) 36fr 19/16

Re: Kim Buchanan

Please call Thur am

Wish to set up conference call w/CPA

Thur 6/27/13

On coverage appl. cadm: ① Bella Boutique
reported as a Partnership

② A ME reported on W2
was requested.

Inst. LTD review; claimant reported taking no
income from business and all income allocated
to her husband

CPA confirmed above

2/12/14 LTD claim denied & 6 mo. prem resumed

3/12 Full carry sent

7/1/14 2009 & 2010 Schedule C and SE schedule sent

From:

06/26/2013 12:15

#250 P.001/028

Capital Financial Group, LLC
8320 E. Walker Springs Lane, Suite 100
Knoxville, TN 37923
Tel: 865-246-2955
FAX 865-246-1755

GROUP DISABILITY

1317798047



CAPITAL
FINANCIAL GROUP, LLC

FILE IN

facsimile transmittal

Agent: J. Todd Williams toddwilliams@financialguide.com

To:	Christopher Murphy	Fax No:	781-304-5425
From:	J. Todd Williams	Date:	6/25/2013
Re:	Kim Buchanan	Pages:	28
Account # 037-1526-00			

Mr. Murphy,

I am the writing agent for the Group LTD Account # 037-1526-00

Claimant: Kim Buchanan

Policyholder: Bella Boutique

I have attached the ~~2010~~ & 2011 Tax Returns for Tom & Kim Buchanan.

If you have any questions about the returns you may call me directly on my cell # 865-368-1946 and I will conference in the CPA Lori Bright and my assistant Beth Beam so we can get this matter taken care of for the Buchanan's.

Thank you

J. Todd Williams



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AR0957

From:

06/26/2013 12:16

#250 P.002/028

ATTN: Todd Williams



Sun Life and Health Insurance Company (U.S.) *
175 Addison Road
P.O. Box 725
Windsor, CT 06095-0725

June 21, 2013

Kim Buchanan

Via Federal Express

Knoxville, TN. 37934

RE: Group Long Term Disability ("LTD") Account No.: 037-1526-00
Policyholder: Bella Boutique
Claimant: Kim Buchanan

Dear Ms. Buchanan:

On Friday May 24, 2103, 3:27 pm, Digital Benefit Advisors emailed claim documents to us. These documents were received on Tuesday May 28, 2013, after the Memorial Day Holiday.

The email included a claim appeal request from Thomas Buchanan of Bella Boutique dated April 8, 2013, stating this letter is a request and authorization to appeal and re-open your LTD claim. The letter further states that 2009 and 2010 financial documentation was recently submitted to Sun Life so we can continue processing your disability claim. The letter additionally states that a copy of the initial Sun Life Application for Long Term Disability Benefits is attached and additional information Sun Life requested is attached.

The LTD claim denial letter dated February 14, 2012, outlined that you do not qualify as an Active Full-time Employee as defined by this policy. The claim liability determination letter outlined your Right to Appeal if you disagree with our decision, you may request in writing a review of the denial within 180 days after receiving the denial notice. A copy of the February 14, 2012, claim denial letter is attached.

Under ERISA claim regulations, a request for review must be made in writing by yourself or your authorized representative within 180 days after receiving the February 14, 2012, denial notice, on or around August 14, 2012.

Discussion:

This group insurance coverage was initially issued on the basis that each Employee's compensation is reported on a W2 for premium and benefit determination.

A basis of your LTD claim denial was that you could not produce employment records to include payroll records and W2s.

On June 12, 2013, Underwriting performed a case change correcting the Partner definition of earnings to K1. You have claimed that you are a Partner of a Partnership.

* Formerly known as Genworth Life and Health Insurance Company
Sun Life and Health Insurance Company (U.S.) is a member of the Sun Life Financial group of companies
www.sunlife-usa.com

1

This group insurance coverage has been revised insuring each Partner's compensation that is reported on the line which shows "net earnings (loss) from self-employment" from Schedule K-1 of the partnership income tax return form 1065 for the calendar year prior to the date your Period of Disability begins. Please refer to the Group Long Term Disability Certificate Last Printed June 12, 2013, for complete changes.

While the administrative claim record closed after not receiving a written appeal request from you on or around August 14, 2012, and you and your CPA have claimed that all of the income was allocated to your husband Tom, given the case change, we are willing to consider additional Proof relative to Active Full-time Employee and Proof of Loss, in relation to our February 14, 2012, claim denial.

We will require the following claim documentation be submitted within 30 days:

- Complete copy of the Partnership Agreement in place as of the December 1, 2004, coverage effective date, as well as complete copies of any updated Partnership Agreement since that time
- Complete copies of your 2009, 2010, 2011, and 2012 Individual Federal Income Tax Returns form 1040 to include all schedules to include but not limited to E and K1, as well as attachments, which were submitted to and accepted by the IRS
- Complete copies of your 2009, 2010, 2011, and 2012 Partnership Federal Income Tax Returns form 1065 to include all schedules and attachments which were submitted to and accepted by the IRS
- Detailed Monthly Business Income/ Expense Financial Statements for the period 01/01/2009 to present
- Partnership Savings/ Checking Account(s) Monthly Statements for the period 01/01/2009 to present
- Any other business or financial documents you wish us to consider

Apparent Claim Issues to be addressed:

- Whether or not you were an Active Full-time Employee being paid for such work in accordance with applicable Wage and Hour Laws;
- Whether or not you submitted Satisfactory Proof of Loss to support his Basic Monthly Earnings as defined;
- Whether or not your Sickness or Injury was the material and substantial factor in causing the earnings loss. A Sickness or Injury would not have a Demonstrated Relationship to a Disability if the earnings loss was produced primarily by causes which are not related to a Sickness or Injury;
- Whether or not you meet the definition of Total Disability or Partial Disability through the Elimination Period and beyond; and
- Whether or not you submitted Satisfactory Proof of Rehabilitative Employment earnings.

Should you have any questions regarding the above, I can be reached at 1-800-451-2513 x-2704. Our fax number is (781) 304-5425.

Sincerely,

Christopher Murphy

Christopher Murphy, HIA, ALHC
LTD Claims - Sr. Consultant, Appeals and Resolutions

* Formerly known as Genworth Life and Health Insurance Company
Sun Life and Health Insurance Company (U.S.) is a member of the Sun Life Financial group of companies
www.sunlife-usa.com

Form 1040		Department of the Treasury—Internal Revenue Service (99)		2011		OMB No. 1545-0074		IRS Use Only—Do not write or staple in this space.																																																																
For the year Jan. 1–Dec. 31, 2011, or other tax year beginning , 2011, ending , 20																																																																								
Your first name and initial THOMAS J.		Last name BUCHANAN		Your social security number 8151																																																																				
If a joint return, spouse's first name and initial KIMBERLY D.		Last name BUCHANAN		Spouse's social security number 9200																																																																				
Home address (number and street). If you have a P.O. box, see instructions. [REDACTED]				Apt. no.		▲ Make sure the SSN(s) above and on line 6c are correct.																																																																		
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). KNOXVILLE TN 37922				Foreign country name		Foreign province/county		Foreign postal code																																																																
Filing Status 1 <input type="checkbox"/> Single 2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. ▶ 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ 5 <input type="checkbox"/> Qualifying widow(er) with dependent child				Exemptions a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. b <input checked="" type="checkbox"/> Spouse c Dependents: <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>(1) First name</th> <th>Last name</th> <th>(2) Dependent's social security number</th> <th>(3) Dependent's relationship to you</th> <th>(4) <input type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> If more than four dependents, see instructions and check here ▶ <input type="checkbox"/> d Total number of exemptions claimed 2						(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)																																																										
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Income Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a W-2, see instructions. Enclose, but do not attach, any payment. Also, please use Form 1040-V.				<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>7 Wages, salaries, tips, etc. Attach Form(s) W-2</td><td>7</td><td> </td></tr> <tr><td>8a Taxable interest. Attach Schedule B if required</td><td>8a</td><td>26</td></tr> <tr><td>b Tax-exempt interest. Do not include on line 8a</td><td>8b</td><td> </td></tr> <tr><td>9a Ordinary dividends. Attach Schedule B if required</td><td>9a</td><td> </td></tr> <tr><td>b Qualified dividends</td><td>9b</td><td> </td></tr> <tr><td>10 Taxable refunds, credits, or offsets of state and local income taxes</td><td>10</td><td> </td></tr> <tr><td>11 Alimony received</td><td>11</td><td> </td></tr> <tr><td>12 Business income or (loss). Attach Schedule C or C-EZ</td><td>12</td><td>261,357</td></tr> <tr><td>13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶</td><td>13</td><td> </td></tr> <tr><td>14 Other gains or (losses). Attach Form 4797</td><td>14</td><td> </td></tr> <tr><td>15a IRA distributions</td><td>15a</td><td> </td></tr> <tr><td>b Taxable amount</td><td>15b</td><td> </td></tr> <tr><td>16a Pensions and annuities</td><td>16a</td><td> </td></tr> <tr><td>b Taxable amount</td><td>16b</td><td> </td></tr> <tr><td>17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E</td><td>17</td><td>-3,218</td></tr> <tr><td>18 Farm income or (loss). Attach Schedule F</td><td>18</td><td> </td></tr> <tr><td>19 Unemployment compensation</td><td>19</td><td> </td></tr> <tr><td>20a Social security benefits</td><td>20a</td><td> </td></tr> <tr><td>b Taxable amount</td><td>20b</td><td> </td></tr> <tr><td>21 Other income. List type and amount SEE STATEMENT 1</td><td>21</td><td> </td></tr> <tr><td>22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶</td><td>22</td><td>258,165</td></tr> </table>						7 Wages, salaries, tips, etc. Attach Form(s) W-2	7		8a Taxable interest. Attach Schedule B if required	8a	26	b Tax-exempt interest. Do not include on line 8a	8b		9a Ordinary dividends. Attach Schedule B if required	9a		b Qualified dividends	9b		10 Taxable refunds, credits, or offsets of state and local income taxes	10		11 Alimony received	11		12 Business income or (loss). Attach Schedule C or C-EZ	12	261,357	13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶	13		14 Other gains or (losses). Attach Form 4797	14		15a IRA distributions	15a		b Taxable amount	15b		16a Pensions and annuities	16a		b Taxable amount	16b		17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	-3,218	18 Farm income or (loss). Attach Schedule F	18		19 Unemployment compensation	19		20a Social security benefits	20a		b Taxable amount	20b		21 Other income. List type and amount SEE STATEMENT 1	21		22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	258,165
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Adjusted Gross Income 23 Educator expenses 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 25 Health savings account deduction. Attach Form 8889 26 Moving expenses. Attach Form 3903 27 Deductible part of self-employment tax. Attach Schedule SE 28 Self-employed SEP, SIMPLE, and qualified plans 29 Self-employed health insurance deduction 30 Penalty on early withdrawal of savings 31a Alimony paid b Recipient's SSN ▶ 32 IRA deduction 33 Student loan interest deduction 34 Tuition and fees. Attach Form 8917 35 Domestic production activities deduction. Attach Form 8903 36 Add lines 23 through 35 37 Subtract line 36 from line 22. This is your adjusted gross income ▶				<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>23</td><td> </td></tr> <tr><td>24</td><td> </td></tr> <tr><td>25</td><td> </td></tr> <tr><td>26</td><td> </td></tr> <tr><td>27</td><td>10,121</td></tr> <tr><td>28</td><td> </td></tr> <tr><td>29</td><td>24,652</td></tr> <tr><td>30</td><td> </td></tr> <tr><td>31a</td><td> </td></tr> <tr><td>32</td><td> </td></tr> <tr><td>33</td><td> </td></tr> <tr><td>34</td><td> </td></tr> <tr><td>35</td><td> </td></tr> <tr><td>36</td><td>34,773</td></tr> <tr><td>37</td><td>223,392</td></tr> </table>						23		24		25		26		27	10,121	28		29	24,652	30		31a		32		33		34		35		36	34,773	37	223,392																																	
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For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Form 1040 (2011)

Form 1040 (2011)

THOMAS J. & KIMBERLY D. BUCHANAN

8151 Page 2

Tax and Credits**Standard Deduction for—**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:
Single or Married filing separately, \$5,800
Married filing jointly or Qualifying widow(er), \$11,600
Head of household, \$8,000

Other Taxes**Payments**

If you have a qualifying child, attach Schedule EIC.

Refund

Direct deposit? See instructions.

Amount You Owe**Third Party Designee****Sign Here**

Joint return? See instr. Keep a copy for your records.

Print/Type preparer's name

Paid**Preparer Use Only****Use Only**

1/18 INT

1,005 FTF

6,652 FTP

1,848 TOT

46,869

Form 1040 (2011)

DAA

38	Amount from line 37 (adjusted gross income)	38	223,392
39a	Check <input type="checkbox"/> You were born before January 2, 1947, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1947, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	66,070
41	Subtract line 40 from line 38	41	157,322
42	Exemptions. Multiply \$3,700 by the number on line 8d	42	7,400
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	149,922
44	Tax (see instr.). Check if any from: a <input type="checkbox"/> Form 9814 b <input type="checkbox"/> Form 4872 c <input type="checkbox"/> 952 elec.	44	30,048
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Add lines 44 and 45	46	30,048
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 23	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit (see instructions)	51	
52	Residential energy credits. Attach Form 5695	52	
53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	30,048
56	Self-employment tax. Attach Schedule SE	56	18,107
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59a	Household employment taxes from Schedule H	59a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
60	Other taxes. Enter code(s) from instructions	60	
61	Add lines 55 through 60. This is your total tax	61	48,155
62	Federal income tax withheld from Forms W-2 and 1099	62	
63	2011 estimated tax payments and amount applied from 2010 return	63	11,199
64a	Earned income credit (EIC)	64a	
b	Nontaxable combat pay election <input type="checkbox"/> 64b		
65	Additional child tax credit. Attach Form 8812	65	
66	American opportunity credit from Form 8863, line 14	66	
67	First-time homebuyer credit from Form 5405, line 10	67	
68	Amount paid with request for extension to file	68	
69	Excess social security and tier 1 RRTA tax withheld	69	
70	Credit for federal tax on fuels. Attach Form 4136	70	
71	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	71	
72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	11,199
73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	
b	Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d	Account number <input type="text"/>		
75	Amount of line 73 you want applied to your 2012 estimated tax <input type="checkbox"/> 75		
76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions	76	37,364
77	Estimated tax penalty (see instructions)	77	408
Do you want to allow another person to discuss this return with the IRS (see instructions)? <input checked="" type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No			
Designee's name	JACKIE L. SIMPSON	Personal identification number (PIN)	80574
		Phone no.	865-690-7010
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Your signature	Date	Your occupation	Daytime phone number
		SELF EMPLOYED	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see instr.)
		SELF EMPLOYED	
Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if PTIN self-employed P00080574
JACKIE L. SIMPSON			
Firm's name	PINKSTAFF, SIMPSON, HALL AND HEADRICK PC	Firm's EIN	62-1719416
Firm's address	8858 CEDAR SPRINGS LANE, SUITE 5000 KNOXVILLE TN 37923	Phone no.	865-690-7010

From:

06/26/2013 12:18

#250 P.006/028

SCHEDULE A
(Form 1040)**Itemized Deductions**

OMB No. 1545-0074

2011Department of the Treasury
Internal Revenue Service
Name(s) shown on Form 1040

▶ Attach to Form 1040.

▶ See Instructions for Schedule A (Form 1040).

Attachment
Sequence No. **07**

THOMAS J. & KIMBERLY D. BUCHANAN

Your social security number

8151

**Medical
and
Dental
Expenses**

Caution. Do not include expenses reimbursed or paid by others.

1 Medical and dental expenses (see instructions) 1

2 Enter amount from Form 1040, line 38 2

3 Multiply line 2 by 7.5% (.075) 3

4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- 4

**Taxes You
Paid**

5 State and local (check only one box):

a ☐ Income taxes, orb ☒ General sales taxes } 5 3,015

6 Real estate taxes (see instructions) 6 4,206

7 Personal property taxes 7

8 Other taxes. List type and amount ▶ 8

9 Add lines 5 through 8 9 7,221

**Interest
You Paid**Note.
Your mortgage
interest
deduction may
be limited (see
instructions).

10 Home mortgage interest and points reported to you on Form 1098 10 44,150

11 Home mortgage interest not reported to you on Form 1098. If paid to the
person from whom you bought the home, see instructions and show that
person's name, identifying no., and address ▶ 1112 Points not reported to you on Form 1098. See instructions for
special rules 12

13 Mortgage insurance premiums (see instructions) 13

14 Investment interest. Attach Form 4952 if required. (See
instructions.) 14

15 Add lines 10 through 14 15 44,150

**Gifts to
Charity**If you made a
gift and got a
benefit for it,
see instructions.16 Gifts by cash or check. If you made any gift of \$250 or more,
see instructions 16 14,69917 Other than by cash or check. If any gift of \$250 or more, see
instructions. You must attach Form 8283 if over \$500 17

18 Carryover from prior year 18

19 Add lines 16 through 18 19 14,699

**Casualty and
Theft Losses**

20 Casualty or theft loss(es). Attach Form 4684. (See instructions.) 20

**Job Expenses
and Certain
Miscellaneous
Deductions**21 Unreimbursed employee expenses—job travel, union dues,
job education, etc. Attach Form 2106 or 2106-EZ if required.
(See instructions.) ▶ 21

22 Tax preparation fees 22

23 Other expenses—investment, safe deposit box, etc. List type
and amount ▶ 23

24 Add lines 21 through 23 24

25 Enter amount from Form 1040, line 38 25

26 Multiply line 25 by 2% (.02) 26

27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0- 27

**Other
Miscellaneous
Deductions**

28 Other—from list in instructions. List type and amount ▶ 28

Total**Itemized****Deductions**29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount
on Form 1040, line 40 29 66,07030 If you elect to itemize deductions even though they are less than your standard
deduction, check here ▶ ☐

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule A (Form 1040) 2011

DAA

AR0962

SCHEDULE B
(Form 1040A or 1040)**Interest and Ordinary Dividends**

OMB No. 1545-0074

2011Attachment
Sequence No. **08**Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040A or 1040.

▶ See instructions on back.

Name(s) shown on return

THOMAS J. & KIMBERLY D. BUCHANAN

Your social security number

8151**Part I****Interest**(See instructions
on back and the
instructions for
Form 1040A, or
Form 1040,
line 8a.)Note. If you
received a Form
1099-INT, Form
1099-OID, or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the total interest
shown on that
form.

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ▶

SUNTRUST BANK**Amount****26**

- 2 Add the amounts on line 1

2**26**

- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

3

- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a

4**26**

Note. If line 4 is over \$1,500, you must complete Part III.

Amount**Part II****Ordinary Dividends**(See instructions
on back and the
instructions for
Form 1040A, or
Form 1040,
line 9a.)Note. If you
received a Form
1099-DIV or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the ordinary
dividends shown
on that form.

- 5 List name of payer ▶

5

- 6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a

6

Note. If line 6 is over \$1,500, you must complete Part III.

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes**No****Part III****Foreign Accounts and Trusts**

(See instructions on back.)

- 7a At any time during 2011, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements

- b If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ▶

- 8 During 2011, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions on back

X**X**

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule B (Form 1040A or 1040) 2011

DAA

**SCHEDULE C
(Form 1040)****Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0047

2011Attachment
Sequence No. **09**Department of the Treasury
Internal Revenue Service (99)▶ For information on Schedule C and its instructions, go to www.irs.gov/schedulec
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

THOMAS J. BUCHANAN

Social security number (SSN)

8151**A** Principal business or profession, including product or service (see instructions)**B** Enter code from instructions**INTERNET ADVERTISING AND RETAIL****448120****C** Business name. If no separate business name, leave blank.**VISION MARKETING, LLC****D** Employer ID number (EIN), (see instr.)**20-5503165****E** Business address (including suite or room no.) ▶ **6484 KINGSTON PIKE**City, town or post office, state, and ZIP code **KNOXVILLE TN 37919****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶**G** Did you "materially participate" in the operation of this business during 2011? If "No," see instructions for limit on losses☒ Yes ☐ No**H** If you started or acquired this business during 2011, check here**I** Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions)☐ Yes ☒ No**J** If "Yes," did you or will you file all required Forms 1099?☐ Yes ☐ No**Part I Income**

1a Merchant card and third party payments. For 2011, enter -0-	1a	0
1b Gross receipts or sales not entered on line 1a (see instructions)	1b	
1c Income reported to you on Form W-2 if the "Statutory Employee" box on that form was checked. Caution. See instr. before completing this line	1c	
1d Total gross receipts. Add lines 1a through 1c	1d	
2 Returns and allowances plus any other adjustments (see instructions)	2	
3 Subtract line 2 from line 1d	3	
4 Cost of goods sold (from line 42)	4	
5 Gross profit. Subtract line 4 from line 3	5	0
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 Gross income. Add lines 5 and 6	7	0

Part II Expenses

Enter expenses for business use of your home only on line 30.

8 Advertising	8		18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part II) (see instructions)	13	83	21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b		b Deductible meals and entertainment (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	
28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28		26 Wages (less employment credits)	26	
29 Tentative profit or (loss). Subtract line 28 from line 7	29	-83	27a Other expenses (from line 48)	27a	
30 Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere	30		b Reserved for future use	27b	
31 Net profit or (loss). Subtract line 30 from line 29.					
• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2.					
If you entered an amount on line 1c, see instr. Estates and trusts, enter on Form 1041, line 3.					
• If a loss, you must go to line 32.					
32 If you have a loss, check the box that describes your investment in this activity (see instructions).					
• If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2.					
If you entered an amount on line 1c, see the instructions for line 31. Estates and trusts, enter on Form 1041, line 3.					
• If you checked 32b, you must attach Form 6198. Your loss may be limited.					
			32a <input checked="" type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2011

Schedule E (Form 1040) 2011

Attachment Sequence No. 13

Page 2

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

THOMAS J. & KIMBERLY D. BUCHANAN

8151

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 8198. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section.

☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership, S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	YAZCO	P		20-5345584	
B	RENTAL REAL ESTATE	P		20-5345584	
C	YAZCO	P		20-5345584	
D	RENTAL REAL ESTATE	P		20-5345584	

Passive Income and Loss			Nonpassive Income and Loss		
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1	
A		0			
B		1,609			
C		0			
D		1,609			
29a Totals					
b Totals		3,218			
30 Add columns (g) and (j) of line 29a			30	0	
31 Add columns (f), (h), and (i) of line 29b			31	3,218	
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			32	-3,218	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		
Passive Income and Loss		Nonpassive Income and Loss
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1
A		
B		
34a Totals		
b Totals		
35 Add columns (d) and (f) of line 34a		35
36 Add columns (c) and (e) of line 34b		36
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39 Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below					39

Part V Summary

40 Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41 Total income or (loss). Combine lines 26, 32, 37, 39, & 40. Enter the result here & on Form 1040, line 17, or Form 1040NR, line 18	41	-3,218
42 Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see instructions)	42	
43 Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

**SCHEDULE SE
(Form 1040)****Self-Employment Tax**

OMB No. 1545-0074

2011Attachment
Sequence No. **17**Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

▶ See separate instructions.

Name of person with self-employment income (as shown on Form 1040)

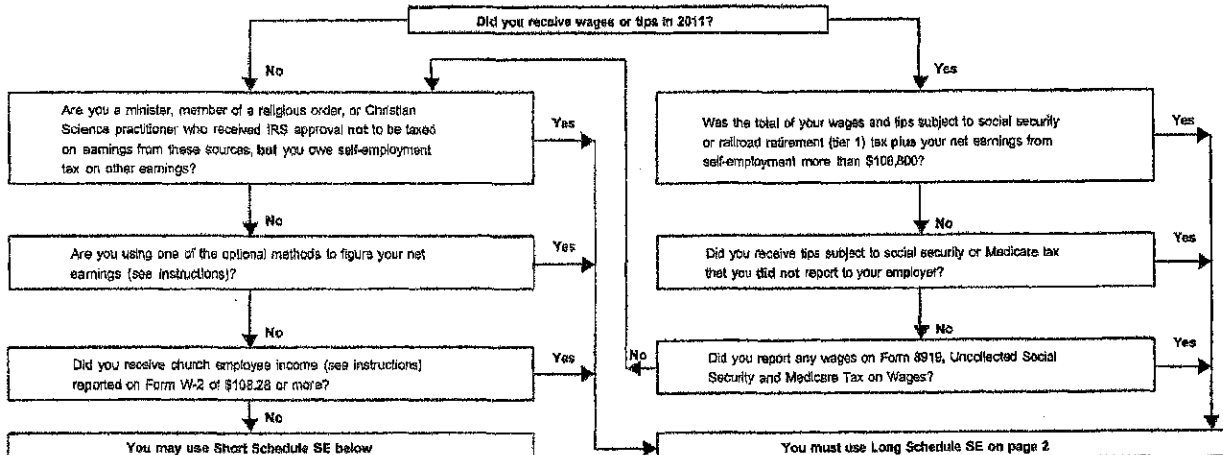
THOMAS J. BUCHANAN

Social security number of person
with self-employment income ▶

8151

Before you begin: To determine if you must file Schedule SE, see the instructions.**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

Note. Use this flowchart only if you must file Schedule SE. If unsure, see Who Must File Schedule SE in the instructions.

**Section A—Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report	2	261,357
3 Combine lines 1a, 1b, and 2	3	261,357
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	4	241,363
5 Self-employment tax. If the amount on line 4 is: • \$108,800 or less, multiply line 4 by 13.3% (.133). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54. • More than \$108,800, multiply line 4 by 2.9% (.029). Then, add \$11,107.20 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	18,107
6 Deduction for employer-equivalent portion of self-employment tax. If the amount on line 5 is: • \$14,204.40 or less, multiply line 5 by 57.51% (.5751) • More than \$14,204.40, multiply line 5 by 50% (.50) and add \$1,067 to the result. Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	10,121

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule SE (Form 1040) 2011

Form	6251	Alternative Minimum Tax—Individuals		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service (99)		▶ See separate instructions.		2011
▶ Attach to Form 1040 or Form 1040NR.				Attachment Sequence No. 32
Name(s) shown on Form 1040 or Form 1040NR THOMAS J. & KIMBERLY D. BUCHANAN		Your social security number 8151		
Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)				
1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	157,322	
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2		
3	Taxes from Schedule A (Form 1040), line 9	3	7,221	
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	4	0	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5		
6	Skip this line. It is reserved for future use	6		
7	Tax refund from Form 1040, line 10 or line 21	7		
8	Investment interest expense (difference between regular tax and AMT)	8		
9	Depletion (difference between regular tax and AMT)	9		
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10		
11	Alternative tax net operating loss deduction	11		
12	Interest from specified private activity bonds exempt from the regular tax	12		
13	Qualified small business stock (7% of gain excluded under section 1202)	13		
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14		
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15		
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16		
17	Disposition of property (difference between AMT and regular tax gain or loss)	17		
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	-721	
19	Passive activities (difference between AMT and regular tax income or loss)	19		
20	Loss limitations (difference between AMT and regular tax income or loss)	20	-471	
21	Circulation costs (difference between regular tax and AMT)	21		
22	Long-term contracts (difference between AMT and regular tax income)	22		
23	Mining costs (difference between regular tax and AMT)	23		
24	Research and experimental costs (difference between regular tax and AMT)	24		
25	Income from certain installment sales before January 1, 1987	25		
26	Intangible drilling costs preference	26		
27	Other adjustments, including income-based related adjustments	27		
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$223,900, see instructions.)	28	163,351	
Part II Alternative Minimum Tax (AMT)				
29	Exemption. (If you were under age 24 at the end of 2011, see instructions.)			
IF your filing status is ... AND line 28 is not over ... THEN enter on line 29 ...				
Single or head of household ... \$112,500 ... \$48,450				
Married filing jointly or qualifying widow(er) ... 150,000 ... 74,450				
Married filing separately ... 75,000 ... 37,225		29	71,112	
If line 28 is over the amount shown above for your filing status, see instructions.				
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 31, 33, and 35, and go to line 34	30	92,239	
31	• If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 54 here. • All others: If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result.	31	23,982	
32	Alternative minimum tax foreign tax credit (see instructions)	32		
33	Tentative minimum tax. Subtract line 32 from line 31	33	23,982	
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see instructions)	34	30,048	
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	0	

For Paperwork Reduction Act Notice, see your tax return instructions.

Form 6251 (2011)

Form **4562**

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2011Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

Attachment
Sequence No. **179**

Name(s) shown on return

THOMAS J. & KIMBERLY D. BUCHANAN

Identifying number

8151

Business or activity to which this form relates

RETAIL - CLOTHING & ACCESSORIES**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	300
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	PRINTER	100	100
	COMPUTER	200	200
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	300
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	300
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	258,439
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	300
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	2,909
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶		

Section B—Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	

Section C—Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

(a) Class life	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	3,209
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2011)

DAA

THERE ARE NO AMOUNTS FOR PAGE 2

8151

Federal Statements

Statement 1 - Form 1040, Line 21 - Other Income

Description	Amount
MON CHERI BRIDALS, LLC	\$ 40,805
MON CHERI REPORTED 62-1723905	-40,805
TOTAL	\$ 0

Form 1040	General Sales Tax Deduction Worksheet	2011
Name as shown on return THOMAS J. & KIMBERLY D. BUCHANAN		Taxpayer Identification Number 8151
State of TENNESSEE	Locality of KNOXVILLE (2.25)	
General Sales Tax from IRS Tables		
1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 37		1. <u>223,392</u>
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges)		2. _____
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2011		3. <u>183</u>
4. Add lines 1 through 3, this is income for general sales tax table purposes		4. <u>223,575</u>
5. Enter the amount from the sales tax table in the Schedule A instructions. Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9		5. <u>2,282</u>
6. Enter the number of days of residence in state		6. _____
7. Total days in year		7. <u>365</u>
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)		8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table.		9. <u>2,282</u>
Local Sales Tax Using IRS Tables		
10. Enter the amount from the sales tax table in the Schedule A instructions.		10. <u>2,282</u>
11. If you are a resident of Alaska, Arizona, Arkansas, California (Los Angeles County only), Colorado, Georgia, Illinois, Louisiana, Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.		11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)		12. <u>2.25000</u>
13. Enter the state general sales tax rate (include statewide local sales tax rate)		13. <u>7.00000</u>
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)		14. <u>0.321</u>
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19 If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19		15. <u>733</u>
16. Enter the number of days of residence in locality		16. _____
17. Total days in year		17. <u>365</u>
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)		18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables.		19. <u>733</u>
General Sales Tax Summary		
20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets		20. <u>2,282</u>
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets		21. <u>733</u>
22. Add lines 20 and 21, this is the total General Sales taxes using the tables		22. <u>3,015</u>
23. Enter the actual state and local general sales taxes paid		23. _____
24. Enter the greater of line 22 or line 23		24. <u>3,015</u>
25. Enter the state and local taxes paid on specified items (major purchases)		25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax		26. <u>3,015</u>
27. Enter total state and local income taxes paid		27. _____
Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a.		

Form 1040		K-1 Reconciliation Worksheet - Sch E, B, D, Form 4797				2011	
Name THOMAS J. BUCHANAN		Taxpayer Identification Number 8151		K1 Unit 1			
Entity Name YAZCO		EN 20-5345584		Screen K1			
Entity Type PARTNERSHIP		Passive Activity Type NOT PASSIVE		Entire disposition of activity			
	Current Year Amount	PY Suspended Basis Loss	Disallowed Basis Limitation	PY Suspended At-risk Loss	Disallowed At-risk Limitation	PY Suspended Passive Loss	Tax Return
Schedule E page 2							
Ordinary business income/loss							
Net rental real estate income/loss	-1,609						-1,609
Other net rental income/loss							
Guaranteed payments							
Section 179 expense							
Disallowed Section 179 expense							
Depreciation							
Intangible drilling expensed							
Preproductive period expense							
Commercial revitalization deduct							
Reforestation expense deduct							
Other deductions							
Unreimbursed expenses							
Other income - Schedule E							
Debt financed acquisition							
Dependent care benefits							
Total Schedule E page 2	-1,609						-1,609
Schedule E page 1							
Royalties							
Deductions-royalty income							
Depletion							
Total Schedule E page 1							
Schedule B							
Interest income							
Tax-exempt interest income							
Dividend income							
Qualified dividends (1040, Page 1)							
Schedule D (996781)							
Short-term capital gain/loss							
Long-term capital gain/loss							
28% capital gain/loss							
1256 contracts and straddles							
Form 4797							
4797 Part I							
4797 Part II							
Section 179/280F recapture							

Form 1040		K-1 Reconciliation Worksheet - AMT Version, Page 1						2011	
Name		THOMAS J. BUCHANAN		Taxpayer Identification Number		8151		K1 Unit	
Entity Name		YAZCO		EIN 20-5345584		Screen K1		1	
Entity Type		PARTNERSHIP		Passive Activity Type		NOT PASSIVE		Entire disposition of activity	
	Current Year Amount	PY Suspended Basis Loss	Disallowed Basis Limitation	PY Suspended At-risk Loss	Disallowed At-risk Limitation	PY Suspended Passive Loss	Disallowed Loss Limitation	Tax Return	
Schedule E page 2									
Ordinary business income/loss									
Net rental real estate income/loss	-1,609							-1,609	
Other net rental income/loss									
Guaranteed payments									
Section 179 expense									
Disallowed Section 179 expense									
Depletion									
Intang drilling expensed									
Preproductive period expense									
Commercial revitalization deduct									
Reforestation expense deduct									
Other deductions									
Unreimbursed expenses									
Other income - Schedule E									
Debt financed acquisition									
Dependent care expense									
Depreciation adjustment post '86	-235							-235	
Depletion adjustment									
Circulation expenditures									
Depreciation pre '87									
Long-term contracts									
Research & experimental									
Tax shelter farm activities									
Large partnership adj (1065-B)									
Trust adj for minimum tax									
Total Schedule E page 2	-1,844							-1,844	
Schedule E page 1									
Royalties									
Deductions-royalty income									
Depletion									
Depletion adjustment									
Total Schedule E page 1									
Form 1040 page 1									
Other portfolio income/loss									
Other income/loss									
Penalty for early withdrawal									

Form 1040 K-1 Reconciliation Worksheet - AMT Version, Page 2										2011
Name THOMAS J. BUCHANAN		Taxpayer Identification Number 8151		K-1 Unit 1						
Entity Name YAZCO		EIN 20-5345584		Screen K-1						
Entity Type PARTNERSHIP		Passive Activity Type NOT PASSIVE		Entire disposition of activity						
	Current Year Amount	PY Suspended Basis Loss	Disallowed Basis Limitation	PY Suspended At-risk Loss	Disallowed At-risk Limitation	PY Suspended Passive Loss	Disallowed Loss Limitation	Alternative Minimum Tax Amount		
Schedule A										
Cash contributions (50%)										
Cash contributions (30%)										
Noncash contributions (50%)										
Noncash contributions (30%)										
Cap gain prop 50% org (30%)										
Cap gain prop (20%)										
Portfolio deductions (2% floor)										
Portfolio deductions (other)										
Real estate taxes										
State income tax withheld										
Foreign taxes										
Investment int from 4952										
Form 4952										
Investment interest expense										
Form 4684										
Form 4684 lt loss trade/business										
Form 4684 lt loss income producing										
Form 4684 st loss income producing										
Other deductions										
Self-employed medical insurance										
Shareholder med ins not on Form W-2										
Dependent care benefits (Form 2441)										
Schedule B (1040) Page 1										
Private activity bond interest										
Sch D - Alternative Minimum Tax										
Short-term capital gain/loss										
Long-term capital gain/loss										
28% capital gain/loss										
1256 contracts and straddles (6781)										
Form 4797 - Alternative Minimum Tax										
4797 Part I										
4797 Part II										
Difference between AMT and regular income/loss										
Minimum tax income or loss	-1,844								-1,844	
Regular tax income or loss	-1,609								-1,609	
INCLUDED ON FORM 6251, LINE 20 - LOSS LIMITATION									-235	

Form 1040		K-1 Reconciliation Worksheet - Sch E, B, D, Form 4797				2011	
Name KIMBERLY D. BUCHANAN		Taxpayer Identification Number 9200		K1 Unit 2			
Entity Name YAZCO		EIN 20-5345584		Screen K1			
Entity Type PARTNERSHIP		Passive Activity Type NOT PASSIVE		Entire disposition of activity			
	Current Year Amount	PY Suspended Basis Loss	Disallowed Basis Limitation	PY Suspended At-risk Loss	Disallowed At-risk Limitation	PY Suspended Passive Loss	Tax Return
Schedule E page 2							
Ordinary business income/loss							
Net rental real estate income/loss	-1,609						-1,609
Other net rental income/loss							
Guaranteed payments							
Section 179 expense							
Disallowed Section 179 expense							
Depletion							
Intangible drilling expensed							
Preproductive period expense							
Commercial revitalization deduct							
Reforestation expense deduct							
Other deductions							
Unreimbursed expenses							
Other income - Schedule E							
Debt financed acquisition							
Dependent care benefits							
Total Schedule E page 2	-1,609						-1,609
Schedule E page 1							
Royalties							
Deductions-royalty income							
Depletion							
Total Schedule E page 1							
Schedule B							
Interest Income							
Tax-exempt interest income							
Dividend income							
Qualified dividends (1040, Page 1)							
Schedule D 89438781							
Short-term capital gain/loss							
Long-term capital gain/loss							
28% capital gain/loss							
1256 contracts and straddles							
Form 4797							
4797 Part I							
4797 Part II							
Section 179/280F recapture							

Form 1040		K-1 Reconciliation Worksheet - AMT Version, Page 2				2011		
Name KIMBERLY D. BUCHANAN		Taxpayer Identification Number		Screen K1		K1 Unit 2		
Entity Name YAZCO		EIN 20-5345584		Screen K1		K1 Unit 2		
Entity Type PARTNERSHIP		Passive Activity Type NOT PASSIVE		Entire disposition of activity				
	Current Year Amount	PY Suspended Basis Loss	Disallowed Basis Limitation	PY Suspended At-risk Loss	Disallowed At-risk Limitation	PY Suspended Passive Loss	Disallowed Loss Limitation	Alternative Minimum Tax Amount
Schedule A								
Cash contributions (50%)								
Cash contributions (30%)								
Noncash contributions (50%)								
Noncash contributions (30%)								
Cap gain prop 50% org (30%)								
Cap gain prop (20%)								
Portfolio deductions (2% floor)								
Portfolio deductions (other)								
Real estate taxes								
State income tax withheld								
Foreign taxes								
Investment int from 4852								
Form 4952								
Investment interest expense								
Form 4684								
Form 4684 ft loss trade/business								
Form 4684 ft loss income producing								
Form 4684 st loss income producing								
Other deductions								
Self-employed medical insurance								
Shareholder med ins not on Form W2								
Dependent care benefits (Form 2441)								
Schedule B/1040 Page 1								
Private activity bond interest								
Sch D - Alternative Minimum Tax								
Short-term capital gain/loss								
Long-term capital gain/loss								
28% capital gain/loss								
1256 contracts and straddles (6731)								
Form 4797 - Alternative Minimum Tax								
4797 Part I								
4797 Part II								
Difference between AMT and regular income/loss								
Minimum tax income or loss	-1,845							Income / loss -1,845
Regular tax income or loss	-1,609							-1,609
INCLUDED ON FORM 6251, LINE 20 - LOSS LIMITATION								-236

Form 1040	Net Earnings from Self-Employment Worksheet	2011
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Name THOMAS J. & KIMBERLY D. BUCHANAN	Taxpayer Identification Number 8151
--------------------------------------------------	-----------------------------------------------

	Taxpayer	Spouse
Farm profit or (loss)		
Schedule F		
Farm Partnerships - Schedule K-1, box 14, code A		
Auto expense from farm partnerships		
Amortization from farm partnerships		
Depreciation & Section 179 from farm partnerships		
Depletion from farm partnerships		
Other expenses from farm partnerships		
Home office expenses from farm partnerships		
Unreimbursed partnership expenses from farm partnerships		
Farm adjustment to SE income		
Net farm profit or (loss) - Schedule SE line 1a	0	0
Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, ln 4b or listed on Sch K-1 (Form 1065), box 20, code Y - Sch SE line 1b	0	0
Nonfarm profit or (loss)		
Schedule C (excluding minister Schedule C income reported below)	261,357	
Nonfarm partnerships - Schedule K-1, box 14, code A		
Auto expense from nonfarm partnerships		
Amortization from nonfarm partnerships		
Depreciation & section 179 from nonfarm partnerships		
Depletion from nonfarm partnerships		
Other expenses from nonfarm partnerships		
Home office expenses from nonfarm partnerships		
Unreimbursed partnership expenses from nonfarm partnerships		
Employee business expenses - Form 2106 (excluding minister 2106 expenses reported below)		
Nonfarm adjustment to SE income		
Self-employment income reported as other income		
Self-employment income from contracts and straddles		
Minister/clergy self-employment income (from Clergy Worksheet Page 4, line 8)		
Net nonfarm profit or (loss) - Schedule SE line 2	261,357	0
Other income items subject to and/or exempt from self-employment tax		
Fees received for services performed as a notary public		
Earnings while debtor in a chapter 11 bankruptcy case		
Taxable community property income/loss		
Exempt community property income/loss		
Net adjustment included on Schedule SE, line 3	0	0
Net profit (loss) from self-employment activities - Schedule SE line 3	261,357	0
Church employee income - Schedule SE, Page 2 line 5a		

Form 1040	Self-Employed Health Insurance Deduction Worksheet	2011
Name of person with self-employment income (as shown on Form 1040) THOMAS J. BUCHANAN		Taxpayer Identification Number 8151

Description <u>RETAIL - CLOTHING & ACCESSORIES</u>	Form/Schedule <u>C</u>	Unit number <u>3</u>
---------------------------------------------------------------	-------------------------------	-----------------------------

1. Enter the total amount paid in 2011 for health insurance coverage established under your business for 2011 for you, your spouse, and your dependents. Your insurance can also cover your child who was under age 27 at the end of 2011, even if the child was not your dependent. But do not include the following.
 - Amounts for any month you were eligible to participate in a health plan subsidized by your or your spouse's employer or the employer of either your dependent or your child who was under the age of 27 at the end of 2011.
 - Any amounts paid from retirement plan distributions that were nontaxable because you are a retired public safety officer.
 - Any amounts you included on Form 8885, line 4.
 - Any qualified health insurance premiums you paid to "U.S. Treasury-HCTC".
 - Any health coverage tax credit advance payments shown in box 1 of Form 1099-H.
 - Any payments for qualified long-term care insurance (see line 2)

1. 24,652

2. For coverage under a qualified long-term care insurance contract, enter for each person covered the smaller of the following amounts.
 - a) Total payments made for that person during the year.
 - b) The amount shown below. Use the person's age at the end of the tax year.
 - \$340 —if that person is age 40 or younger
 - \$640 —if age 41 to 50
 - \$1,270 —if age 51 to 60
 - \$3,390 —if age 61 to 70
 - \$4,240 —if age 71 or older

Do not include payments for any month you were eligible to participate in a long-term care insurance plan subsidized by your or your spouse's employer or the employer of either your dependent or your child who was under the age of 27 at the end of 2011. If more than one person is covered, figure separately the amount to enter for each person. Then enter the total of those amounts

2. 24,652

3. Add lines 1 and 2 3. 24,652

4. Enter your net profit and any other earned income from the trade or business under which the insurance plan is established. Do not include Conservation Reserve Program payments exempt from self-employment tax. If the business is an S Corporation, skip to line 11 4. 261,440

5. Enter the total of all net profits from: Schedule C, line 31; Schedule C-EZ, line 3; Schedule F, line 34; or Sch K-1 (1065), box 14, Code A; plus any other income allocable to the profitable businesses. Do not include Conservation Reserve Program payments exempt from self-employment tax. Do not include any net losses shown on these schedules. 5. 261,440

6. Divide line 4 by line 5 6. 1.0000

7. Multiply Form 1040, line 27, by the percentage on line 6 7. 10,121

8. Subtract line 7 from line 4 8. 251,319

9. Enter the amount, if any, from Form 1040, line 28 attributable to the same trade or business in which the health insurance plan is established 9. 251,319

10. Subtract line 9 from line 8 10. 251,319

11. Enter your Medicare wages (Form W-2, box 5) from an S corporation in which you are a more-than-2% shareholder and in which the health insurance plan is established 11. 251,319

12. Enter the amount from Form 2555, line 45, attributable to the amount entered on line 4 or 11 above, or any amount from Form 2555-EZ, line 18, attributable to the amount entered on line 11 above 12. 251,319

13. Subtract line 12 from line 10 or 11, whichever applies 13. 24,652

14. Self-employed health insurance deduction. Enter the smaller of line 3 or line 13 here and on Form 1040, line 29. Do not include this amount in figuring any medical expense deduction on Schedule A (Form 1040) 14. 24,652

3151

Federal Statements**Schedule A, Line 5b - State and Local General Sales Taxes**

Description	Amount
GENERAL SALES TAX	\$ 3,015
TOTAL	\$ 3,015

Schedule A, Line 10 - Home Mortgage Interest From Form 1098

Description	Amount
SUNTRUST BANK	\$ 44,150
TOTAL	\$ 44,150

Schedule A, Line 16 - Charitable Contributions by Cash or Check

Description	Amount
MISC CHARITABLE ORGANIZATIONS	\$ 14,699
TOTAL	\$ 14,699

8151

Federal Statements**Form 6251, Line 18 - Post-1986 Depreciation Adjustment**

Nonpassive Activity type	Amount
DEPRECIATION ADJUSTMENT REPORT	\$ -721
TOTAL	\$ -721

Form 6251, Line 20 - Loss Limitations

Description	Form/ Sch	AMT Inc/Loss	Regular Inc/Loss	Difference Line 21
YAZCO	SCH E2	\$ -1,844	\$ -1,609	\$ -235
YAZCO	SCH E2	\$ -1,845	\$ -1,609	\$ -236
TOTAL		\$ -3,689	\$ -3,218	\$ -471

From:

06/27/2013 12:32

#250 P.027/028

151

Federal Statements

RETAIL - CLOTHING & ACCESSORIES

Form 4562, Line 11 - Business Income

Description	Amount
BUSINESS INCOME	\$ 261,657
SCHEDULE E INCOME	-3,218
TOTAL BUSINESS INCOME	<u>258,439</u>

From:

06/26/2013 12:33

#250 P.028/028

Form **8948**

(Rev. December 2011)

Department of the Treasury
Internal Revenue Service

Name(s) on tax return

Preparer Explanation for Not Filing Electronically

▶ Attach to taxpayer's Form 1040, 1040A, 1040EZ, or Form 1041.

OMB No. 1545-2200

Attachment
Sequence No. **173**

Taxpayer's identifying number

THOMAS J. & KIMBERLY D. BUCHANAN

8151

Three out of four taxpayers now use IRS e-file. Go to www.irs.gov/efile for details on using IRS e-file. The benefits of electronic filing include the following.

- Faster refunds
- Secure transmissions
- E-payment options
- More accurate returns
- Easier filing method
- Receipt acknowledged

Check the applicable box to indicate the reason this return is not being filed electronically. Do not check more than one box.

- 1 ☐ Taxpayer chose to file this return on paper.
- 2 ☐ The preparer received a waiver from the requirement to electronically file the tax return.

Waiver Reference Number _____ Approval Letter Date _____

- 3 ☐ The preparer is a member of a recognized religious group that is conscientiously opposed to filing electronically.
- 4 ☐ This return was rejected by IRS e-file and the reject condition could not be resolved.

Reject code: _____ Number of attempts to resolve reject: _____

- 5 ☐ The preparer's e-file software package does not support Form _____ or Schedule _____ attached to this return.

6 Check the box that applies and provide additional information if requested.

- a ☐ The preparer is ineligible to file electronically because IRS e-file does not accept foreign preparers without social security numbers who live and work abroad.
- b ☐ The preparer is ineligible to participate in IRS e-file.
- c ☒ Other: Describe below the circumstances that prevented the preparer from filing this return electronically.

THE IRS IS NO LONGER ACCEPTING ELECTRONICALLY FILED RETURN FOR 2011.

From:

06/27/2013 11:55

#249 P.001/035

Capital Financial Group, LLC
8320 E. Walker Springs Lane, Suite 100
Knoxville, TN 37923
Tel: 865-246-2955
FAX 865-246-1755

GROUP DISABILITY

13179 CAPITAL
FINANCIAL GROUP, LLC

facsimile transmittal

Agent: J. Todd Williams toddwilliams@financialguide.com

To:	Christopher Murphy	Fax No:	781-304-5425
From:	J. Todd Williams	Date:	6/25/2013
Re:	Kim Buchanan	Pages:	35
Account # 037-1526-00			

Mr. Murphy,

I am the writing agent for the Group LTD Account # 037-1526-00

Claimant: Kim Buchanan

Policyholder: Bella Boutique

I have attached the 2010 & 2011 Tax Returns for Tom & Kim Buchanan.

If you have any questions about the returns you may call me directly on my cell # 865-368-1946 and I will conference in the CPA Lori Bright and my assistant Beth Beam so we can get this matter taken care of for the Buchanan's.

Thank you

J. Todd Williams



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AR0985

From:

06/26/2013 11:55

#249 P.002/035

ATTN: Todd Williams



Sun Life and Health Insurance Company (U.S.) *
175 Addison Road
P.O. Box 725
Windsor, CT 06093-0725

June 21, 2013

Kim Buchanan

Via Federal Express

Knoxville, TN. 37934

RE: Group Long Term Disability ("LTD") Account No.: 037-1526-00
Policyholder: Bella Boutique
Claimant: Kim Buchanan

Dear Ms. Buchanan:

On Friday May 24, 2103, 3:27 pm, Digital Benefit Advisors emailed claim documents to us. These documents were received on Tuesday May 28, 2013, after the Memorial Day Holiday.

The email included a claim appeal request from Thomas Buchanan of Bella Boutique dated April 8, 2013, stating this letter is a request and authorization to appeal and re-open your LTD claim. The letter further states that 2009 and 2010 financial documentation was recently submitted to Sun Life so we can continue processing your disability claim. The letter additionally states that a copy of the initial Sun Life Application for Long Term Disability Benefits is attached and additional information Sun Life requested is attached.

The LTD claim denial letter dated February 14, 2012, outlined that you do not qualify as an Active Full-time Employee as defined by this policy. The claim liability determination letter outlined your Right to Appeal if you disagree with our decision, you may request in writing a review of the denial within 180 days after receiving the denial notice. A copy of the February 14, 2012, claim denial letter is attached.

Under ERISA claim regulations, a request for review must be made in writing by yourself or your authorized representative within 180 days after receiving the February 14, 2012, denial notice, on or around August 14, 2012.

Discussion:

This group insurance coverage was initially issued on the basis that each Employee's compensation is reported on a W2 for premium and benefit determination.

A basis of your LTD claim denial was that you could not produce employment records to include payroll records and W2s.

On June 12, 2013, Underwriting performed a case change correcting the Partner definition of earnings to K1. You have claimed that you are a Partner of a Partnership.

* Formerly known as Genworth Life and Health Insurance Company
Sun Life and Health Insurance Company (U.S.) is a member of the Sun Life Financial group of companies
www.sunlife-usa.com

This group insurance coverage has been revised insuring each Partner's compensation that is reported on the line which shows "net earnings (loss) from self-employment" from Schedule K-1 of the partnership income tax return form 1065 for the calendar year prior to the date your Period of Disability begins. Please refer to the Group Long Term Disability Certificate Last Printed June 12, 2013, for complete changes.

While the administrative claim record closed after not receiving a written appeal request from you on or around August 14, 2012, and you and your CPA have claimed that all of the income was allocated to your husband Tom, given the case change, we are willing to consider additional Proof relative to Active Full-time Employee and Proof of Loss, in relation to our February 14, 2012, claim denial.

We will require the following claim documentation be submitted within 30 days:

- Complete copy of the Partnership Agreement in place as of the December 1, 2004, coverage effective date, as well as complete copies of any updated Partnership Agreement since that time
- Complete copies of your 2009, 2010, 2011, and 2012 Individual Federal Income Tax Returns form 1040 to include all schedules to include but not limited to E and K1, as well as attachments, which were submitted to and accepted by the IRS
- Complete copies of your 2009, 2010, 2011, and 2012 Partnership Federal Income Tax Returns form 1065 to include all schedules and attachments which were submitted to and accepted by the IRS
- Detailed Monthly Business Income/ Expense Financial Statements for the period 01/01/2009 to present
- Partnership Savings/ Checking Account(s) Monthly Statements for the period 01/01/2009 to present
- Any other business or financial documents you wish us to consider

Apparent Claim Issues to be addressed:

- Whether or not you were an Active Full-time Employee being paid for such work in accordance with applicable Wage and Hour Laws;
- Whether or not you submitted Satisfactory Proof of Loss to support his Basic Monthly Earnings as defined;
- Whether or not your Sickness or Injury was the material and substantial factor in causing the earnings loss. A Sickness or Injury would not have a Demonstrated Relationship to a Disability if the earnings loss was produced primarily by causes which are not related to a Sickness or Injury;
- Whether or not you meet the definition of Total Disability or Partial Disability through the Elimination Period and beyond; and
- Whether or not you submitted Satisfactory Proof of Rehabilitative Employment earnings.

Should you have any questions regarding the above, I can be reached at 1-800-451-2513 x-2704. Our fax number is (781) 304-5425.

Sincerely,

Christopher Murphy

Christopher Murphy, HIA, ALHC
LTD Claims - Sr. Consultant, Appeals and Resolutions

* Formerly known as Genworth Life and Health Insurance Company
Sun Life and Health Insurance Company (U.S.) is a member of the Sun Life Financial group of companies
www.sunlife-usa.com

2

Form **1040** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return 2010** (99) IRS Use Only—Do not write or staple in this space.

Name, Address, and SSN
See separate instructions.

For the year Jan. 1-Dec. 31, 2010, or other tax year beginning , 2010, ending , 20 **OMB No. 1545-0074**

Your first name and initial **Last name**
THOMAS J. BUCHANAN
Your social security number
[REDACTED] -8151

If a joint return, spouse's first name and initial **Last name**
KIMBERLY D. BUCHANAN
Spouse's social security number
[REDACTED] 9200

Home address (number and street). If you have a P.O. box, see instructions. **Apt. no.**
[REDACTED]
Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, see instructions.
KNOXVILLE TN 37922

Checking a box below will not change your tax or refund.
☐ **You** ☐ **Spouse**

Presidential Election Campaign ☐ **Check here if you, or your spouse if filing jointly, want \$3 to go to this fund**

Filing Status
Check only one box.
1 ☐ Single
2 ☒ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here.
4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 ☐ Qualifying widow(er) with dependent child

Exemptions
6a ☒ **Yourself.** If someone can claim you as a dependent, do not check box 6a
b ☒ **Spouse**
c **Dependents:**
(1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) ☒ If qual. child for child tax or (see page 15) ☐ No. of children on 6c who:
• lived with you 1
• did not live with you due to divorce or separation (see instructions)
If more than four dependents, see instructions and check here ☐
d **Total number of exemptions claimed** Add numbers on lines above 3

Income
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.
If you did not get a W-2, see page 20.
Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7 Wages, salaries, tips, etc. Attach Form(s) W-2 7
8a Taxable interest. Attach Schedule B if required 8a 12
b Tax-exempt interest. Do not include on line 8a 8b
9a Ordinary dividends. Attach Schedule B if required 9a
b Qualified dividends 9b
10 Taxable refunds, credits, or offsets of state and local income taxes 10
11 Alimony received 11
12 Business income or (loss). Attach Schedule C or C-EZ 12 176,221
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐ 13
14 Other gains or (losses). Attach Form 4797 14
15a IRA distributions 15a b Taxable amount 15b
16a Pensions and annuities 16a b Taxable amount 16b
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17 8,829
18 Farm income or (loss). Attach Schedule F 18
19 Unemployment compensation 19
20a Social security benefits 20a b Taxable amount 20b
21 Other income. List type and amount SEE STATEMENT 1 21
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income 22 185,062

Adjusted Gross Income
23 Educator expenses 23
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 24
25 Health savings account deduction. Attach Form 8889 25
26 Moving expenses. Attach Form 3903 26
27 One-half of self-employment tax. Attach Schedule SE 27 11,033
28 Self-employed SEP, SIMPLE, and qualified plans 28
29 Self-employed health insurance deduction 29 20,055
30 Penalty on early withdrawal of savings 30
31a Alimony paid b Recipient's SSN 31a
32 IRA deduction 32
33 Student loan interest deduction 33
34 Tuition and fees. Attach Form 8917 34
35 Domestic production activities deduction. Attach Form 8803 35
36 Add lines 23 through 31a and 32 through 35 36 31,088
37 Subtract line 36 from line 22. This is your adjusted gross income 37 153,974

Form 1040 (2010) **THOMAS J. & KIMBERLY D. BUCHANAN**

8151 Page 2

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	153,974
39a	Check <input type="checkbox"/> You were born before January 2, 1946, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1946, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b		
40	Itemized deductions (from Schedule A) or your standard deduction (see instructions)	40	68,804
41	Subtract line 40 from line 38	41	85,170
42	Exemptions. Multiply \$3,650 by the number on line 6d	42	10,950
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	74,220
44	Tax (see instr.). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	10,919
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Add lines 44 and 45	46	10,919
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 23	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit (see instructions)	51	
52	Residential energy credits. Attach Form 5695	52	
53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	10,919

Other Taxes

56	Self-employment tax. Attach Schedule SE	56	22,065
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59	a <input type="checkbox"/> Form(s) W-2, box 9 b <input type="checkbox"/> Schedule H c <input type="checkbox"/> Form 5405, line 16	59	
60	Add lines 56 through 59. This is your total tax	60	32,984

Payments

If you have a qualifying child, attach Schedule EIC.

61	Federal income tax withheld from Forms W-2 and 1099	61	
62	2010 estimated tax payments and amount applied from 2009 return	62	18,486
63	Making work pay credit. Attach Schedule M	63	721
64a	Earned income credit (EIC)	64a	
b	Nonrefundable combat pay election <input type="checkbox"/> 64b		
65	Additional child tax credit. Attach Form 8812	65	
66	American opportunity credit from Form 8863, line 14	66	
67	First-time homebuyer credit from Form 5405, line 10	67	
68	Amount paid with request for extension to file	68	25,000
69	Excess social security and tier 1 RRTA tax withheld	69	
70	Credit for federal tax on fuels. Attach Form 4136	70	
71	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8865	71	
72	Add lines 61, 62, 63, 64a, and 65 through 71. These are your total payments	72	44,207

Refund

Direct deposit? See instructions.

73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you overpaid	73	11,223
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	
b	Routing number <input type="text"/>	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number <input type="text"/>		
75	Amount of line 73 you want applied to your 2011 estimated tax	75	11,199

Amount You Owe

76	Amount you owe. Subtract line 72 from line 60. For details on how to pay, see instructions	76	
77	Estimated tax penalty (see instructions)	77	24

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name **JACKIE L. SIMPSON** Personal identification number (PIN) **80574**

Phone no. **865-690-7010**

Sign Here

Joint return? See page 12. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Your occupation **SELF EMPLOYED** Daytime phone number _____

Spouse's signature. If a joint return, both must sign. _____ Date _____ Spouse's occupation **SELF EMPLOYED**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if

PTIN

Paid

JACKIE L. SIMPSON

self-employed

P00080574

PreparerFirm's name **PINKSTAFF, SIMPSON, HALL AND HEADRICK PC**Firm's EIN **62-1719416****Use Only**Firm's address **8858 CEDAR SPRINGS LANE, SUITE 5000 KNOXVILLE TN 37923**Phone no. **865-690-7010**

Form 1040 (2010)

SCHEDULE A
(Form 1040)**Itemized Deductions**

OMB No. 1545-0074

2010Attachment
Sequence No. **07**Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040.

▶ See instructions for Schedule A (Form 1040).

Name(s) shown on Form 1040

Your social security number

THOMAS J. & KIMBERLY D. BUCHANAN**8151****Medical
and
Dental
Expenses**

Caution. Do not include expenses reimbursed or paid by others.

1 Medical and dental expenses (see instructions)

1**7,265**2 Enter amount from Form 1040, line 38 **2****153,974**

3 Multiply line 2 by 7.5% (.075)

3**11,548**

4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-

4**0****Taxes You
Paid**

5 State and local (check only one box):

a ☐ Income taxes, orb ☒ General sales taxes**5****2,181**

6 Real estate taxes (see instructions)

6**4,206**7 New motor vehicle taxes from line 11 of the worksheet on
back (for certain vehicles purchased in 2009). Skip this line if
you checked box 5b**7**

8 Other taxes. List type and amount ▶

8

9 Add lines 5 through 8

9**6,387****Interest
You Paid**Note.
Your mortgage
interest
deduction may
be limited (see
instructions).

10 Home mortgage interest and points reported to you on Form 1098

10**44,150**11 Home mortgage interest not reported to you on Form 1098. If paid to the
person from whom you bought the home, see instructions and show that
person's name, identifying no., and address ▶**11**12 Points not reported to you on Form 1098. See instructions for
special rules**12**

13 Mortgage insurance premiums (see instructions)

1314 Investment interest. Attach Form 4952 if required. (See
instructions.)**14**

15 Add lines 10 through 14

15**44,150****Gifts to
Charity**If you made a
gift and got a
benefit for it,
see instructions.16 Gifts by cash or check. If you made any gift of \$250 or more,
see instructions**16****18,267**17 Other than by cash or check. If any gift of \$250 or more, see
instructions. You must attach Form 8283 if over \$500**17**

18 Carryover from prior year

18

19 Add lines 16 through 18

19**18,267****Casualty and
Theft Losses**

20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)

20**Job Expenses
and Certain
Miscellaneous
Deductions**21 Unreimbursed employee expenses—job travel, union dues,
job education, etc. Attach Form 2106 or 2106-EZ if required.
(See instructions.) ▶**21**

22 Tax preparation fees

2223 Other expenses—investment, safe deposit box, etc. List type
and amount ▶**23**

24 Add lines 21 through 23

2425 Enter amount from Form 1040, line 38 **25****25**

26 Multiply line 25 by 2% (.02)

26

27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-

27**Other
Miscellaneous
Deductions**

28 Other—from list in instructions. List type and amount ▶

28**Total
Itemized
Deductions**29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount
on Form 1040, line 40**29****68,804**30 If you elect to itemize deductions even though they are less than your standard
deduction, check here ▶ ☐

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule A (Form 1040) 2010

DAA

SCHEDULE B

(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)**Interest and Ordinary Dividends**

▶ Attach to Form 1040A or 1040.

▶ See instructions on back.

OMB No. 1545-0074

2010Attachment
Sequence No. **08**

Name(s) shown on return

THOMAS J. & KIMBERLY D. BUCHANAN

Your social security number

151**Part I****Interest**(See instructions
on back and the
instructions for
Form 1040A, or
Form 1040,
line 8a.)Note. If you
received a Form
1099-INT, Form
1099-OID, or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the total interest
shown on that
form.

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ▶

FIRST TENNESSEE BANK

Amount

12

- 2 Add the amounts on line 1
- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815
- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a

1

2

3

4

12**12**

Note. If line 4 is over \$1,500, you must complete Part III.

Part II**Ordinary Dividends**(See instructions
on back and the
instructions for
Form 1040A, or
Form 1040,
line 9a.)Note. If you
received a Form
1099-DIV or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the ordinary
dividends shown
on that form.

- 5 List name of payer ▶

Amount

5

- 6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a

6

Note. If line 6 is over \$1,500, you must complete Part III.

Part III**Foreign****Accounts****and Trusts**(See
instructions on
back.)

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

- 7a At any time during 2010, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account?

Yes

No

X

- b If "Yes," enter the name of the foreign country ▶

- 8 During 2010, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions on back

X

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule B (Form 1040A or 1040) 2010

DAA

SCHEDULE C
(Form 1040)**Profit or Loss From Business**
(Sole Proprietorship)

OMB No. 1545-0074

2010Attachment
Sequence No. **09**Department of the Treasury
Internal Revenue Service (99)▶ Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
▶ Attach to Form 1040, 1040NR, or 1041. ▶ See instructions for Schedule C (Form 1040).

Name of proprietor

THOMAS J. & KIMBERLY D. BUCHANAN

Social security number (SSN)

8151**A** Principal business or profession, including product or service (see instructions)**RETAIL - CLOTHING & ACCESSORIES****B** Enter code from pages C-9, 10, & 11**▶ 448190****C** Business name. If no separate business name, leave blank.**BELLA BOUTIQUE****D** Employer ID number (EIN), if any**62-1723905****E** Business address (including suite or room no.) ▶ **6484 KINGSTON PIKE**

City, town or post office, state, and ZIP code

KNOXVILLE**TN 37919****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶**G** Did you "materially participate" in the operation of this business during 2010? If "No," see instructions for limit on losses☒ Yes☐ No**H** If you started or acquired this business during 2010, check here**Part I Income**

1 Gross receipts or sales. Caution. See instructions and check the box if: • This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses.	<input type="checkbox"/>	1	618,547
2 Returns and allowances		2	490
3 Subtract line 2 from line 1		3	618,057
4 Cost of goods sold (from line 42 on page 2)		4	212,156
5 Gross profit. Subtract line 4 from line 3		5	405,901
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7 Gross income. Add lines 5 and 6		7	405,901

Part II Expenses. Enter expenses for business use of your home only on line 30.

8 Advertising	8	20,739	18 Office expense	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11	9,568	a Vehicles, machinery, and equipment	20a	3,600
12 Depreciation	12		b Other business property	20b	90,214
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21 Repairs and maintenance	21	5,662
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	3,088
15 Insurance (other than health)	15	3,612	23 Taxes and licenses	23	3,150
16 Interest:			24 Travel, meals, and entertainment:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	332
b Other	16b	17,105	b Deductible meals and entertainment (see instructions)	24b	901
17 Legal and professional services	17	6,062	25 Utilities	25	9,267
			26 Wages (less employment credits)	26	36,976
			27 Other expenses (from line 48 on page 2)	27	42,169
28 Total expenses before expenses for business use of home. Add lines 8 through 27	28	252,445			
29 Tentative profit or (loss). Subtract line 28 from line 7	29	153,456			
30 Expenses for business use of your home. Attach Form 8829	30				
31 Net profit or (loss). Subtract line 30 from line 29.					
• If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.					
• If a loss, you must go to line 32.					
32 If you have a loss, check the box that describes your investment in this activity (see instructions).					
• If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.					
• If you checked 32b, you must attach Form 6199. Your loss may be limited.					
			32a <input type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2010

DAA

8151

Page 2

DAA

SCHEDULE C
(Form 1040)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2010Attachment
Sequence No. **09**Department of the Treasury
Internal Revenue Service (99)Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
Attach to Form 1040, 1040NR, or 1041. See Instructions for Schedule C (Form 1040).

Name of proprietor

THOMAS J. BUCHANAN

Social security number (SSN)

8151**A** Principal business or profession, including product or service (see instructions)**INTERNET ADVERTISING AND RETAIL****B** Enter code from pages C-9, 10, & 11**448120****C** Business name, if no separate business name, leave blank.**VISION MARKETING, LLC****D** Employer ID number (EIN), if any**20-5503165****E** Business address (including suite or room no.) **6484 KINGSTON PIKE**

City, town or post office, state, and ZIP code

KNOXVILLE**TN 37919****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) **▶****G** Did you "materially participate" in the operation of this business during 2010? If "No," see instructions for limit on losses ☒ Yes ☐ No**H** If you started or acquired this business during 2010, check here **▶****Part I Income****1** Gross receipts or sales. Caution. See instructions and check the box if:

- This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or

- You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses.

1**2** Returns and allowances **2****3** Subtract line 2 from line 1 **3****4** Cost of goods sold (from line 42 on page 2) **4****5** Gross profit. Subtract line 4 from line 3 **5****0****6** Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) **6****7** Gross income. Add lines 5 and 6 **7****0****Part II Expenses. Enter expenses for business use of your home only on line 30.****8** Advertising **8****9** Car and truck expenses (see instructions) **9****10** Commissions and fees **10****11** Contract labor (see instructions) **11****12** Depletion **12****13** Depreciation and section 179 expense deduction (not included in Part III) (see instructions) **13****166****14** Employee benefit programs (other than on line 19) **14****15** Insurance (other than health) **15****16** Interest:**a** Mortgage (paid to banks, etc.) **16a****b** Other **16b****17** Legal and professional services **17****18** Office expense **18****19** Pension and profit-sharing plans **19****20** Rent or lease (see instructions):**a** Vehicles, machinery, and equipment **20a****b** Other business property **20b****21** Repairs and maintenance **21****22** Supplies (not included in Part III) **22****23** Taxes and licenses **23****24** Travel, meals, and entertainment:**a** Travel **24a****b** Deductible meals and entertainment (see instructions) **24b****25** Utilities **25****26** Wages (less employment credits) **26****27** Other expenses (from line 48 on page 2) **27****28** Total expenses before expenses for business use of home. Add lines 8 through 27 **28****166****29** Tentative profit or (loss). Subtract line 28 from line 7 **29****-166****30** Expenses for business use of your home. Attach Form 8829 **30****31** Net profit or (loss). Subtract line 30 from line 29.

- If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.

- If a loss, you must go to line 32.

31**-166****32** If you have a loss, check the box that describes your investment in this activity (see instructions).

- If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.

- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a☒ All investment is at risk.**32b**☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2010

SCHEDULE C
(Form 1040)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2010Department of the Treasury
Internal Revenue Service (99)Partnerships, joint ventures, etc., generally must file Form 1065 or 1065-B.
Attach to Form 1040, 1040NR, or 1041. See instructions for Schedule C (Form 1040).Attachment
Sequence No. **09**

Name of proprietor

THOMAS J. BUCHANAN

Social security number (SSN)

3151**A** Principal business or profession, including product or service (see instructions)**RETAIL - CLOTHING & ACCESSORIES****B** Enter code from pages C-9, 10, & 11**448190****C** Business name, if no separate business name, leave blank.**BELLA BOUTIQUE****D** Employer ID number (EIN), if any**62-1723905****E** Business address (including suite or room no.) **6484 KINGSTON PIKE**City, town or post office, state, and ZIP code **KNOXVILLE TN 37919****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) **▶****G** Did you "materially participate" in the operation of this business during 2010? If "No," see instructions for limit on losses ☒ Yes ☐ No**H** If you started or acquired this business during 2010, check here ☒**Part I Income**

1 Gross receipts or sales. Caution. See instructions and check the box if: • This income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses.	<input type="checkbox"/>	1	201,481
2 Returns and allowances		2	1,700
3 Subtract line 2 from line 1		3	199,781
4 Cost of goods sold (from line 42 on page 2)		4	69,106
5 Gross profit. Subtract line 4 from line 3		5	130,675
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7 Gross income. Add lines 5 and 6		7	130,675

Part II Expenses. Enter expenses for business use of your home only on line 30.

8 Advertising	8	6,755	18 Office expense	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11	2,116	a Vehicles, machinery, and equipment	20a	1,173
12 Depletion	12		b Other business property	20b	45,107
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	8,728	21 Repairs and maintenance	21	1,844
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	1,006
15 Insurance (other than health)	15	1,176	23 Taxes and licenses	23	1,026
16 Interest:			24 Travel, meals, and entertainment		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	108
b Other	16b	5,572	b Deductible meals and entertainment (see instructions)	24b	294
17 Legal and professional services	17	1,974	25 Utilities	25	3,018
28 Total expenses before expenses for business use of home. Add lines 8 through 27	28		26 Wages (less employment credits)	26	12,044
29 Tentative profit or (loss). Subtract line 28 from line 7	29		27 Other expenses (from line 48 on page 2)	27	15,803
30 Expenses for business use of your home. Attach Form 8829	30				
31 Net profit or (loss). Subtract line 30 from line 29.				31	22,931
• If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.					
• If a loss, you must go to line 32.					
32 If you have a loss, check the box that describes your investment in this activity (see instructions).					
• If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.					
• If you checked 32b, you must attach Form 6198. Your loss may be limited.					
			32a <input type="checkbox"/> All investment is at risk.		
			32b <input type="checkbox"/> Some investment is not at risk.		

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2010

DAA

Schedule E (Form 1040) 2010

Attachment Sequence No. 13

Page 2

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

THOMAS J. & KIMBERLY D. BUCHANAN

8151

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-2.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see page E-7 before completing this section.

☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership, S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	YAZCO	P		20-5345584	
B	RENTAL REAL ESTATE	P		20-5345584	
C	YAZCO	P		20-5345584	
D	RENTAL REAL ESTATE	P		20-5345584	

Passive Income and Loss		Nonpassive Income and Loss	
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562
A		0	
B		0	4,415
C		0	
D		0	4,414
29a Totals			8,829
b Totals			
30 Add columns (g) and (i) of line 29a		30	8,829
31 Add columns (f), (h), and (i) of line 29b		31	0
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below		32	8,829

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		
Passive Income and Loss		Nonpassive Income and Loss
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1
A		
B		
34a Totals		
b Totals		
35 Add columns (d) and (f) of line 34a		35
36 Add columns (c) and (e) of line 34b		36
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-8)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				39

Part V Summary

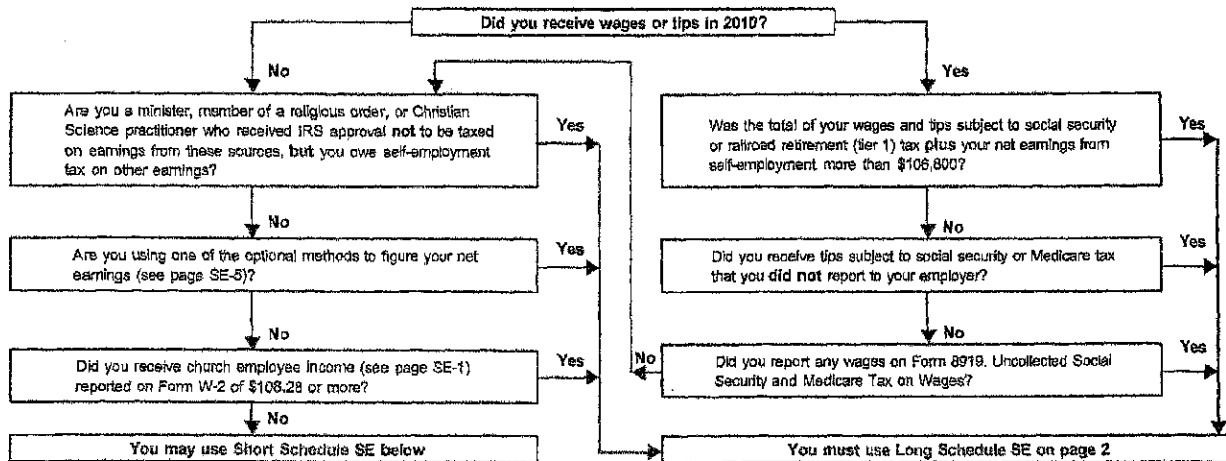
40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40
41	Total income or (loss). Combine lines 26, 32, 37, 39, & 40. Enter the result here & on Form 1040, line 17, or Form 1040NR, line 18	41 8,829
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see page E-8)	42
43	Reconciliation for real estate professionals. If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43

SCHEDULE SE
(Form 1040)**Self-Employment Tax**

OMB No. 1545-0074

2010Attachment
Sequence No. **17**Department of the Treasury
Internal Revenue Service (99)▶ **Attach to Form 1040 or Form 1040NR.**▶ **See instructions for Schedule SE (Form 1040).**

Name of person with self-employment income (as shown on Form 1040)

THOMAS J. BUCHANANSocial security number of person
with self-employment income ▶**8151****Before you begin:** To determine if you must file Schedule SE, see the instructions on page SE-1.**May I Use Short Schedule SE or Must I Use Long Schedule SE?****Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see Who Must File Schedule SE, on page SE-1.**Section A—Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.**

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 8b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	99,493
3 Combine lines 1a, 1b, and 2. Subtract from that total the amount on Form 1040, line 29, or Form 1040NR, line 29, and enter the result (see page SE-3)	3	82,780
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see page SE-3.	4	76,447
5 Self-employment tax. If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	11,696
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	5,848

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule SE (Form 1040) 2010

2010

Attachment
Sequence No. 17

9200

May I Use Short Schedule SE or Must I Use Long Schedule SE?

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graph TD
    Q1[Did you receive wages or tips in 2010?] -- No --> Q2[Are you a minister, member of a religious order, or Christian Science practitioner who received IRS approval not to be taxed on earnings from these sources, but you owe self-employment tax on other earnings?]
    Q1 -- Yes --> Q3[Was the total of your wages and tips subject to social security or railroad retirement (Tier 1) tax plus your net earnings from self-employment more than $108,800?]
    Q2 -- Yes --> L[You must use Long Schedule SE on page 2]
    Q2 -- No --> Q4[Are you using one of the optional methods to figure your net earnings (see page SE-6)?]
    Q3 -- Yes --> L
    Q3 -- No --> Q5[Did you receive tips subject to social security or Medicare tax that you did not report to your employer?]
    Q4 -- Yes --> L
    Q4 -- No --> Q6[Did you receive church employee income (see page SE-1) reported on Form W-2 of $108.28 or more?]
    Q5 -- Yes --> L
    Q5 -- No --> Q6
    Q6 -- Yes --> L
    Q6 -- No --> S[You may use Short Schedule SE below]
    S --> L
  
```

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	76,728
3 Combine lines 1a, 1b, and 2. Subtract from that total the amount on Form 1040, line 29, or Form 1040NR, line 29, and enter the result (see page SE-3)	3	73,386
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see page SE-3.	4	67,772
5 Self-employment tax. If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	10,369
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	5,185

Schedule SE (Form 1040) 2010

Form **6251****Alternative Minimum Tax—Individuals**

OMB No. 1545-0074

2010Attachment
Sequence No. **32**Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

Name(s) shown on Form 1040 or Form 1040NR

THOMAS J. & KIMBERLY D. BUCHANAN

Your social security number

8151**Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)**

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 6. (If less than zero, enter as a negative amount.)	85,170
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	
3	Taxes from Schedule A (Form 1040), lines 5, 6, and 8	6,387
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions	0
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	
6	If filing Schedule L (Form 1040A or 1040), enter as a negative amount the sum of lines 6 and 17 from that schedule	
7	Tax refund from Form 1040, line 10 or line 21	
8	Investment interest expense (difference between regular tax and AMT)	
9	Depletion (difference between regular tax and AMT)	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	
11	Alternative tax net operating loss deduction	
12	Interest from specified private activity bonds exempt from the regular tax	
13	Qualified small business stock (7% of gain excluded under section 1202)	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	
17	Disposition of property (difference between AMT and regular tax gain or loss)	
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	-772
19	Passive activities (difference between AMT and regular tax income or loss)	
20	Loss limitations (difference between AMT and regular tax income or loss)	-808
21	Circulation costs (difference between regular tax and AMT)	
22	Long-term contracts (difference between AMT and regular tax income)	
23	Mining costs (difference between regular tax and AMT)	
24	Research and experimental costs (difference between regular tax and AMT)	
25	Income from certain installment sales before January 1, 1987	
26	Intangible drilling costs preference	
27	Other adjustments, including income-based related adjustments	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$219,900, see page 8 of the instructions.)	89,977

Part II Alternative Minimum Tax (AMT)

29	Exemption. (If you were under age 24 at the end of 2010, see page 8 of the instructions.)		
	IF your filing status is ...	AND line 28 is not over ...	THEN enter on line 29 ...
	Single or head of household	\$112,500	\$47,450
	Married filing jointly or qualifying widow(er)	150,000	72,450
	Married filing separately	75,000	36,225
29	If line 28 is over the amount shown above for your filing status, see page 8 of the instructions.		72,450
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 33 and 35 and skip the rest of Part II.		17,527
31	<ul style="list-style-type: none"> If you are filing Form 2555 or 2555-EZ, see page 9 of the instructions for the amount to enter. If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 54 here. All others: If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result. 		4,557
32	Alternative minimum tax foreign tax credit (see page 9 of the instructions)		
33	Tentative minimum tax. Subtract line 32 from line 31		4,557
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see page 11 of the instructions)		10,919
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45		0

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **6251** (2010)